

McELROY, DEUTSCH, MULVANEY & CARPENTER, LLP
88 Pine Street
24th Floor
New York, New York
Telephone: (212) 483-9490
Facsimile: (212) 483-9129
Attorneys for Defendant-Respondent,
Stewart's Mobile Concepts, Ltd.

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

PENROD MANAGEMENT GROUP, INC., : Civil Action No. 07-10649 (JGK/DFE)
Plaintiff-Petitioner, : CERTIFICATION OF COUNSEL IN
v. : OPPOSITION TO THE MOTION IN
STEWART'S MOBILE CONCEPTS, LTD., : LIMINE BY PLAINTIFF-PETITIONER,
Defendant-Respondent. : PENROD MANAGEMENT GROUP, INC.,
 : TO EXCLUDE THE DIRECT TESTIMONY
 : AFFIDAVIT OF BOB HISS AND
 : EXHIBITS 14, 16 AND 51
:

I, RYAN P. MULVANEY, hereby declare, under penalty of perjury as follows:

1. I am an attorney-at-law of the State of New Jersey, am admitted pro hac vice in this Court for purposes of this matter, and am associated with the Newark and Morristown offices of the law firm of McElroy, Deutsch, Mulvaney & Carpenter, LLP. I am one of the attorneys responsible for handling this matter of behalf of Defendant-Respondent, Stewart's Mobile Concepts, Ltd. ("SMC"), and, as such I have personal knowledge of the facts set forth herein.

2. I make this certification in opposition to the motion in limine by Plaintiff-Petitioner, Penrod Management Group, Inc. ("PMG"), to exclude the direct testimony affidavit of Bob Hiss and exhibits 14, 16 and 51.

3. Attached hereto as Exhibit "A" is a true and accurate copy of a deposition transcript of Michael Penrod, which was taken in a matter captioned Mr. John Inc. v. Nikki Beach Atlantic City LLC and Penrod Management Group.

I hereby certify and declare under penalty and perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct to the best of my knowledge. I am aware that if any of the statements made by me are willfully false, I am subject to punishment.



Ryan P. Mulvaney

Dated: June 13, 2008

Exhibit A

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: MIDDLESEX COUNTY
DOCKET NO. MID-L-6951-05

MR. JOHN, INC.,

Plaintiff,

DEPOSITION OF,

-vs-

MICHAEL VERNON
PENROD

NIKKI BEACH ATLANTIC CITY,
LLC., and PENROD MANAGEMENT
GROUP, INC.,

Defendants.

TRANSCRIPT of the testimony of
MICHAEL VERNON PENROD as taken by and before
SANDRA A. BYBEL, a Certified Shorthand Reporter
and Notary Public of the State of New Jersey, at
the office of McElroy, Deutsch, Mulvaney &
Carpetner, LLP, Three Gateway Center, 100 Mulberry
Street, Newark, New Jersey, on Tuesday, March 20,
2007, commencing at 1:00 o'clock in the afternoon.

REPORTING SERVICES ARRANGED THROUGH:
VERITEXT/NEW JERSEY REPORTING COMPANY
25B Vreeland Road, Suite 301
Florham Park, New Jersey 07932
Tel: (973) 410-4040 Fax: (973) 410-1313

1 APPEARANCES:	2	1 PENROD-6 Mr. John invoice, 32 2 7/22/05 3 PENROD-7 Mr. John invoice, 32 4 8/19/05 5 PENROD-8 Mr. John invoice, 32 6 9/16/05 7 PENROD-9A Department of Treasury, 38 8 Division of Revenue, 9 Business Support Services, 10 Commercial Recording, 11 7/20/06 12 PENROD-9B New Jersey Division of 38 13 Revenue, Certificate of 14 Cancellation, 6/30/06 15 16 17 18 19 20 21 22 23 24 25	4
1 INDEX	3	1 MICHAEL VERNON PENROD, 2 100 South Point Drive, Apartment 2602, 3 Miami Beach, Florida, 33139, having 4 been duly sworn according to law, by 5 the Officer, testifies as follows: 6 7 DIRECT EXAMINATION BY MR. MULVANEY: 8 Q. Michael, my name is Ryan Mulvaney. 9 I'm an attorney for the plaintiff, Mr. John, in a 10 lawsuit pending against Nikki Beach Atlantic City 11 and Penrod Management in Middlesex County. 12 A. Uh-huh. 13 Q. Have you ever been deposed before? 14 A. Yes. 15 Q. In the State of New Jersey? 16 A. No. 17 Q. The state of Florida? 18 A. Uh-huh. 19 Q. I will just go over some ground rules 20 with you -- 21 A. Okay. 22 Q. -- in case they're different from 23 the State of Florida. 24 A. Okay. 25 Q. If you need a break at any time just	5
1 NUMBER DESCRIPTION PAGE	13	14 PENROD-1 Credit Application 25 15 with Mr. John 16 PENROD-2 Agreement for Temporary 28 17 Restroom Services, 18 4/25/05 19 PENROD-3 Agreement for Temporary 28 20 Restroom Services, 21 5/3/05 22 PENROD-4 Mr. John invoice, 31 23 5/27/05 24 PENROD-5 Mr. John invoice, 32 25 6/24/05	

2 (Pages 2 to 5)

VERITEXT/NEW JERSEY REPORTING (973) 410-4040

<p>1 let me know. I only ask that you respond to my 2 question, if there is a question pending, before 3 taking the break.</p> <p>4 A. Yeah.</p> <p>5 Q. If you don't understand a question, 6 please let me know and I'll try and rephrase it or 7 repeat it. If you don't tell me that you don't 8 understand, then I'll assume that you do. And 9 wait, if you could, for my question to end before 10 you begin your answer it's a little bit easier for 11 the court reporter and us so we can get out of 12 here a lot quicker.</p> <p>13 A. Right.</p> <p>14 Q. Also, I'm sure you're familiar with 15 no head nods and shaking. Everything has to be 16 oral so we can accurately get your testimony.</p> <p>17 The depositions in Florida, did they 18 have to do in any way with the Nikki Beach Bar in 19 Atlantic City?</p> <p>20 A. No.</p> <p>21 Q. Where did you attend college?</p> <p>22 A. I went to Tallahassee Community 23 College for about a couple of months. That was 24 it.</p> <p>25 Q. Did you receive a degree from there?</p>	<p>1 MR. SAVOLA: I've got a document, the 2 three documents that we produced in response to 3 request for production which are the two invoices 4 and the wire transfer.</p> <p>5 MR. MULAVENY: The two contracts.</p> <p>6 MR. SAVOLA: Yes.</p> <p>7 MR. MULVANEY: And that's it?</p> <p>8 A. Yes.</p> <p>9 MR. MULVANEY: Speaking of which, do 10 you have a complete copy of the wire transfer. I 11 think the copy that you had provided was an 12 incomplete copy. It was cut off at the bottom. 13 If we can have a complete copy of it it'd be 14 great.</p> <p>15 We can take care of it later. That's 16 fine?</p> <p>17 MR. SAVOLA: Okay.</p> <p>18 Q. Michael, for whom do you currently 19 work?</p> <p>20 A. I work with Penrod Brothers, Inc. 21 with -- I also have a place called The Elbow Room 22 in Fort Lauderdale and I got a salary from Penrod 23 Management Group also.</p> <p>24 Q. Is Penrod Management a subsidiary of 25 Penrod Brothers?</p>
<p>1 A. No.</p> <p>2 Q. Do you have any professional 3 licenses?</p> <p>4 A. No.</p> <p>5 Q. Okay. What did you do in preparation 6 for this deposition, if anything?</p> <p>7 A. Nothing. Except with whatever Steve 8 had in the airport.</p> <p>9 Q. So you spoke with your attorney?</p> <p>10 A. Yes, I talked to the attorney.</p> <p>11 Q. Please don't disclose the 12 conversations you had, but you spoke with your 13 attorney?</p> <p>14 A. Yes.</p> <p>15 Q. And that's Mr. Savola?</p> <p>16 A. Correct.</p> <p>17 Q. Did you speak with Mr. Kennedy?</p> <p>18 A. I don't know who that is.</p> <p>19 Q. Paul Kennedy.</p> <p>20 MR. SAVOLA: He's co-counsel.</p> <p>21 A. I have never met him.</p> <p>22 Q. Did you review any documents?</p> <p>23 A. With Steve, yes.</p> <p>24 Q. Did you bring those documents with 25 you today?</p>	<p>1 MR. SAVOLA: Object. Form.</p> <p>2 A. No.</p> <p>3 MR. SAVOLA: Just for the record 4 purposes, if I object to the form it doesn't mean 5 that you don't answer the question. Go ahead and 6 answer the question. It just puts a notation on 7 the record so if it comes up at trial it means I 8 can address it with the judge.</p> <p>9 A. Okay. What were you asking?</p> <p>10 Q. Is Penrod Management a subsidiary of 11 Penrod Brothers?</p> <p>12 MR. SAVOLA: Object.</p> <p>13 A. I don't think so. I don't know.</p> <p>14 Q. Do you receive a salary from Penrod 15 Management?</p> <p>16 A. Yes.</p> <p>17 Q. Do you have any title at Penrod 18 Management?</p> <p>19 A. No.</p> <p>20 Q. What is your title at Penrod 21 Brothers?</p> <p>22 A. I don't think I have one. I guess I 23 do marketing and stuff there. That's our property 24 in Miami Beach.</p> <p>25 Q. Okay. Does Penrod Brothers have any</p>

<p>1 shareholders?</p> <p>2 A. Penrod Brothers, I believe it's -- I 3 don't know. I would think it's just my father.</p> <p>4 Q. Your father is?</p> <p>5 A. Jack Penrod.</p> <p>6 Q. Is your father also a shareholder of 7 Penrod Management?</p> <p>8 A. I believe so.</p> <p>9 Q. What are your duties and 10 responsibilities with respect to your position, I 11 guess your marketing position with Penrod 12 Brothers?</p> <p>13 A. With Penrod Brothers I work with 14 the -- with the whole marketing division, with the 15 local teams setting up events and different 16 programs and our VIP services, our Nikki TV.</p> <p>17 Q. I'm sorry.</p> <p>18 A. We have a thing called Nikki TV. 19 It's mostly Internet related or marketing.</p> <p>20 Q. Nikki TV?</p> <p>21 A. Those are my core functions here down 22 in Miami.</p> <p>23 Q. What exactly does Penrod Management 24 do?</p> <p>25 A. I'm not sure. What's the structure.</p>	<p>10</p> <p>1 A. Uh-huh. Yes, from what I 2 understand.</p> <p>3 Q. Can you describe the properties?</p> <p>4 A. I'm not sure which ones are under 5 that. I don't handle that under Penrod Management 6 Group.</p> <p>7 Q. But there are properties under Penrod 8 Management Group?</p> <p>9 A. I believe so.</p> <p>10 Q. And by property we're talking about?</p> <p>11 A. Bars, restaurants, night clubs.</p> <p>12 Q. Was Nikki Beach Atlantic City under 13 that?</p> <p>14 A. Nikki Beach Atlantic City, when we 15 set it up, we used the administrative and legal 16 functions of them to set it up.</p> <p>17 Q. Let's talk a little bit about this 18 Nikki Beach entity.</p> <p>19 A. Okay.</p> <p>20 Q. What is it?</p> <p>21 A. What do you mean?</p> <p>22 MR. SAVOLA: Object. Form.</p> <p>23 A. What do you mean Nikki Beach, as in 24 properties?</p> <p>25 Q. Well, you tell me.</p>	<p>11</p> <p>1 of it. I don't know. I'm not sure exactly what 2 it does.</p> <p>3 Q. Is it a holding company for any 4 subsidiaries?</p> <p>5 A. I don't know.</p> <p>6 Q. Do you know if it has any 7 subsidiaries?</p> <p>8 A. I wouldn't know. I'm not on the 9 board so I'm not sure.</p> <p>10 Q. You receive a salary from Penrod 11 Management?</p> <p>12 A. Uh-huh. Yes.</p> <p>13 Q. And you don't know what it does.</p> <p>14 A. I'm not sure exactly. You're asking 15 me does it have subsidiaries. I don't know any of 16 the corporate structure.</p> <p>17 Q. Do you know the function of Penrod 18 Management, what it does, who it deals with?</p> <p>19 A. I believe it's Penrod Management 20 Group. I believe it's the group that has some of 21 the administrative functions for some of the 22 properties.</p> <p>23 Q. What administrative functions?</p> <p>24 A. Some accounting and legal.</p> <p>25 Q. Does it bill for those services?</p>	<p>12</p> <p>13</p> <p>1 A. You ask the questions. I'm not 2 clear.</p> <p>3 Q. What is Nikki Beach?</p> <p>4 A. Nikki Beach is a brand that has 5 different restaurants and night clubs and beach 6 clubs around the world. We also throw parties and 7 events, branded Nikki Beach with different 8 partners around the world in different locations.</p> <p>9 Q. How many Nikki Beach entities are 10 there?</p> <p>11 MR. SAVOLA: Object. Form.</p> <p>12 A. I think there's -- well, Nikki Beach 13 entities, I think there's like 12 currently.</p> <p>14 Q. Can you tell me what they are?</p> <p>15 A. Nikki Beach -- there's a Nikki Beach 16 in Miami. There's a Nikki Midtown in New York; 17 Nikki Marina in Hollywood, Florida; Nikki Beach in 18 Cabo San Lucas, Mexico; Nikki Beach in Puerto 19 Varta; Nikki Beach Saint Barts; Nikki Beach in 20 Sardinia, Italy; Nikki Beach in San Trope; Nikki 21 Beach in Marbella; and Nikki Beach Marrakech. So 22 I guess it's 10.</p> <p>23 Q. Are all those Nikki Beach entities 24 still operating today?</p> <p>25 A. Yes.</p>
--	---	---	--

<p>1 Q. Do they have their own employees? 2 A. I believe so, yes. 3 Q. Do they prepare their own financial 4 statements? 5 A. I'm not sure about all of them. 6 They're more of an accounting question, which I 7 don't handle. 8 Q. Who handles the accounting issues? 9 A. Accounting is headed up by a lady 10 named Korollan and a guy named Omar. 11 Q. Are they Penrod Management? 12 A. Well, they are in Penrod Management. 13 Each location has somebody. 14 Q. Each Nikki Beach -- 15 A. Each location has a -- 16 Q. Penrod Management. 17 A. Each location has a local 18 administrator for accounting purposes. 19 Q. And that person is a Nikki Beach 20 employee? 21 A. I'm pretty sure. 22 Q. Paid -- 23 A. By that location. 24 Q. Receiving payroll from Nikki Beach? 25 A. From each location wherever they</p>	<p>14 1 deal with -- Penrod Management Group helps handle 2 them. They get involved, but it's very limited. 3 Q. Did Penrod Management bill for those 4 services? 5 A. They would, yes. 6 Q. We'll keep it on this side for the 7 legal services. Who provided the legal services 8 of Penrod Management. 9 A. It depends on what... 10 Q. To any of the Nikki Beach entities? 11 A. Like here I heard today there's a 12 local legal counsel. I don't know who he is. I 13 never met him. 14 Q. Do you have an understanding of 15 whether he provided legal services to your local 16 Nikki Beach company here? 17 A. The guy you mentioned earlier? I 18 imagine he did. You guys asked me if I knew him. 19 I've never met him. 20 Q. Who at Penrod Management provided 21 legal services? 22 A. The gentleman, Michael Register, he 23 would coordinate which lawyers you hire. 24 Q. Who at Penrod provided the accounting 25 services?</p>
<p>15 1 work. 2 Q. Tell me about the Nikki Marina? 3 Let's just use that one. 4 A. Okay. 5 Q. It's still operating? 6 A. Correct. 7 Q. Does it does have its own employees? 8 A. Correct. 9 Q. Who are the employees? 10 A. Their names? I don't know all their 11 names. I know a guy Jerry who is the general 12 manager and a guy -- well, no, he doesn't work 13 there anymore. That's the only one I'm sure of 14 his name. 15 Q. You said before that Penrod 16 Management provides legal and accounting services. 17 Can you describe what those services are? 18 A. Well, for like Nikki Marina, since 19 we're talking about that. 20 Q. Sure. 21 A. What they do is they -- I think what 22 they do is they interact with local accountants 23 and accounts receivable to make sure that they're 24 being handled correctly. And there, I think, if 25 there's any legal problems or legal matters, they</p>	<p>17 1 A. The lady named Korollan and Omar, 2 they would either handle minor things or they'd 3 hire a local, depending on what country, they'd 4 hire local accounting services. And also Michael 5 Register and Korollan handled that. 6 Q. Did you hire local accounting 7 services in the State of New Jersey? 8 A. Here we worked with -- we hired a -- 9 brought a girl accountant, her name was Cath, I 10 don't know her last name off the top of my head. 11 She actually was our daily bookkeeper and 12 administrator, the main one. She had two girls 13 that worked with her, I think. 14 Q. Was she an employee of Penrod 15 Management? 16 A. No. She was an employee of Atlantic 17 City. 18 Q. What do you mean? 19 A. Nikki Beach Atlantic City. When I 20 came up here and set up Nikki Beach Atlantic City 21 my general manager was this guy named Bruce, and 22 like the accounting administrative lead was named 23 Cath. I don't know her last name. I think her 24 name was Catherine, but everybody calls her Cath. 25 Q. Did Penrod Management make any</p>

<p>I payments?</p> <p>2 A. To them?</p> <p>3 Q. No. To Mr. John with respect to 4 Nikki Beach Atlantic City Bar?</p> <p>5 A. When we first were setting up 6 Atlantic City back in the beginning before we ever 7 had our offices set up, our accounts set up, they 8 wired us the money directly a wire to Mr. John for 9 us because I didn't have any accounts or anything 10 set up yet, and Mr. John had a deadline that 11 needed to be in then or we wouldn't have bathrooms 12 for the summer.</p> <p>13 Q. I'm sorry, you said "they."</p> <p>14 A. Mr. John said -- the lady that I was 15 dealing with Mr. John, I think her name is Lauren.</p> <p>16 Q. Okay.</p> <p>17 A. She -- I think that was who I was 18 dealing with too and I talked to her daily because 19 I was the one that coordinated it with Mr. John in 20 Atlantic City when I was up setting it up and they 21 needed the money right away to lock in the dates. 22 So I called down there and I had them send the 23 money from Miami to borrow the money, and I 24 believe we paid them back.</p> <p>25 Q. I'm sorry, "them" and the pronouns,</p>	<p>18</p> <p>1 A. Nikki Beach entities when we opened 2 up to different locations?</p> <p>3 Q. Take, for example, Nikki Beach 4 Marina, we'll kind of stick with that one because 5 we spoke about that one before. When Nikki Beach 6 Marina opened did it require working capital to 7 operate?</p> <p>8 MR. SAVOLA: Object. Form.</p> <p>9 A. Each deal is different in each city 10 that I've set up different properties because I go 11 on the set up teams. And the marina, our partner 12 is the hotel, the Weston Diplomat, and in that 13 location the partner put up the upfront running 14 capital.</p> <p>15 Q. Was there any application that had to 16 be made with the --</p> <p>17 A. I don't know. Not to my knowledge. 18 I mean I don't know what the -- that was so long 19 ago. Nikki Marina's been there six years. I 20 don't recall what was set up.</p> <p>21 Q. When you opened up the Atlantic City 22 bar, was the working capital required?</p> <p>23 A. There was -- let me think. I believe 24 the hotel it was a complicated set up there 25 because we had to set -- our partner was the</p>
<p>19</p> <p>1 I'm getting lost.</p> <p>2 A. Sorry. Penrod Management Group.</p> <p>3 Q. So Penrod Management Group wired 4 transferred money?</p> <p>5 A. Yes. I believe it was a deposit so 6 we could lock in the dates with Mr. John.</p> <p>7 Q. To Mr. John?</p> <p>8 A. Correct.</p> <p>9 Q. So Penrod Management did a little bit 10 more than provide legal and accounting services?</p> <p>11 MR. SAVOLA: Object to form.</p> <p>12 A. Well, they lent us the money to set 13 that up. They set up the accounts and the bank 14 accounts and I think that's about it.</p> <p>15 Q. Let me ask you, do you know who 16 Danielle Houser is?</p> <p>17 A. I don't recall. Where does she work?</p> <p>18 Q. Do you recognize her name as anybody 19 that worked for Penrod Management?</p> <p>20 A. Her name sounds familiar, but I don't 21 recall who she is.</p> <p>22 Q. When Nikki Beach entities, and I'll 23 use that term loosely, are formed do they apply 24 for loans on their own.</p> <p>25 MR. SAVOLA: Object to form.</p>	<p>21</p> <p>1 Resorts Hotel and Nikki Beach Atlantic City, but 2 with the Casino Control Commissions I remember it 3 was very complicated. We had all these different 4 things we had to do there, so I'm not sure how the 5 money was put up for that one, for the working 6 capital, but it's usually the local partner.</p> <p>7 Q. What types of things did you have to 8 do with the Casino Control Commission? You had 9 mentioned there were things you had to do.</p> <p>10 A. I had to sit in front of board 11 meetings and show what we were doing. Layout 12 exactly what we planned on putting on the beach 13 because we wanted to have glassware, we wanted to 14 have concert stadium, music, food. So we had to 15 present all that to the Casino Control Commission, 16 the federal government, and the city. There's 17 like three or four different government bodies and 18 controlling bodies that I had to meet with for 19 months before the setup.</p> <p>20 Q. Did you have to file any applications 21 with either the city, the State of New Jersey, or 22 the Casino Control Commission?</p> <p>23 A. I believe so. I believe we had a 24 couple of different applications. I'm not sure 25 for what, but I remember we had quite a bit. We</p>

<p>1 hired a local law firm. They handled that. 2 Q. What was the name of the law firm? 3 A. I don't recall off the top of my 4 head. I will have to get that. 5 Q. Do you recall the applicant on the 6 applications that were filed -- 7 A. No. 8 Q. -- with the various subdivisions or 9 the State of New Jersey? 10 A. No, I don't recall. 11 Q. Would the applicant have been Penrod 12 Management? 13 A. No. It would have been the local 14 company, which is our local partnership. 15 Q. So it would have been Nikki Beach 16 Atlantic City? 17 A. It should have been. 18 Q. That would have filed any 19 applications? 20 A. Uh-huh. Yeah. 21 Q. With the State of New Jersey. When 22 you deal with creditors or vendors or suppliers, 23 the same process, were applications filled out? 24 A. Were there? I think we had a couple 25 setup applications for food vendors, but I'm not </p>	<p>I have local partners so we always run everything 2 out of the local entity. 3 Q. So it's always the local entity that 4 files whatever applications that need to be filed? 5 A. Should be. 6 Q. Should it have to apply for a loan 7 it's usually the local -- 8 A. I don't recall ever applying for a 9 loan. 10 Q. If it ever applies for credit would 11 it be the local entity that applies for credit? 12 A. I believe it would be. That would be 13 something that we'd have to check with the 14 accountants. 15 Q. And the local permits or other 16 applications that needed to be filed with the 17 local zoning office or the Casino Control 18 Commission in whatever state, would it usually be 19 the local entity that files that paperwork? 20 A. In Atlantic City, since that's the 21 only place we've had to file with Casino Control, 22 there we had the hotel, since they're our partner, 23 they had legal counsel that directed us where to 24 go and we had then hired our own local legal 25 counsel and they handled all those documents and </p>
<p>1 sure what that entailed. The chef did that. 2 Q. Who was the chef? 3 A. Timothy Hughes. 4 Q. And who did he work for? 5 A. He worked at Nikki Beach Atlantic 6 City. But that application for food services, I 7 think it's a guarantee to pay. Like here's your 8 terms, you pay in 30 days, that kind of thing. 9 I'm not sure how detailed it is. 10 Q. And who was that with? 11 A. Whatever food vendors. I don't 12 remember the names. They're different up here 13 than they are from anywhere else. 14 Q. Do you recall the applicant who would 15 have -- 16 A. No. Do I recall it? No. 17 Q. -- who would have filed the 18 application? 19 A. No. Actually I didn't see it. He 20 had documents because we sent them down to Miami 21 to read them. 22 Q. Would it have been Nikki Beach 23 Atlantic City or would it have been Penrod 24 Management? 25 A. Whenever we set up a new location we </p>	<p>1 permits and zoning. I'm not sure exactly what 2 they set up. I imagine it was for the local thing 3 since the hotel was involved with it. 4 MR. MULVANEY: I would like to mark 5 this as Penrod-1. 6 (Penrod-1 Credit Application 7 with Mr. John is marked for 8 identification.) 10 Q. I'll show this to you. What's being 11 shown to you, P-1, appears to be a credit 12 application filed with Mr. John. 14 A. That's Danielle Houser. 15 Q. Have you seen that before, that 16 document? 17 A. No. 18 Q. Do you now recall who Danielle Houser 19 is? 20 A. I know the name. I'm not sure where 21 she works or where she worked. I don't know if 22 she still works for any of us. 23 Q. And it appears as though that she's 24 completed a credit application under the name of 25 Penrod Management Group with Mr. John; is that </p>

<p>1 correct?</p> <p>2 A. That's what it appears, yeah.</p> <p>3 Q. Danielle Houser, did she have the 4 authority to bind Penrod Management?</p> <p>5 MR. SAVOLA: Object to the form.</p> <p>6 A. That would be for the lawyers. I'm 7 not even sure who she is. I just know the name 8 from somewhere.</p> <p>9 Q. Do you know who completed this 10 application?</p> <p>11 A. It says here Danielle Houser.</p> <p>12 Q. Do you know if anybody else at Penrod 13 Management participated in compiling the 14 information that appears on that?</p> <p>15 A. I wouldn't have an idea. I wouldn't 16 know.</p> <p>17 Q. Do you know if those are Penrod 18 Management credit references?</p> <p>19 A. Well, I know the names of these 20 vendors. These are south Florida vendors. 21 Southern Wine & Spirits, Sysco. I don't know who 22 they are though.</p> <p>23 Q. You do recognize those entities?</p> <p>24 A. Uh-huh. Yes. They're Miami based 25 vendors.</p>	<p>26</p> <p>1 was the applicant applying for credit with Mr. 2 John, correct?</p> <p>3 MR. SAVOLA: Object to form.</p> <p>4 A. That's what it appears to be. That's 5 what she wrote.</p> <p>6 MR. MULVANEY: I'd like to mark this 7 as Penrod-2.</p> <p>8</p> <p>9 (Penrod-2 Agreement for 10 Temporary Restroom Services, 4/25/05 11 is marked for identification.)</p> <p>12 MR. MULVANEY: Mark this as well.</p> <p>13</p> <p>14 (Penrod-3 Agreement for Temporary 15 Restroom Services, 5/3/05 is marked for 16 identification.)</p> <p>17</p> <p>18 Q. Do you recognize those documents?</p> <p>19 A. I was shown these this morning and I 20 think I recall seeing these a couple years ago.</p> <p>21 Q. Okay.</p> <p>22 A. But if you notice, this is before we 23 had our -- everything totally set up there because 24 I even used my cell phone as the main number.</p> <p>25 Q. Is that your cell phone or is that</p>
<p>27</p> <p>1 Q. If you could just refer back to that 2 for one second. Does that appear to be Penrod 3 Management's banking information on that credit 4 application?</p> <p>5 A. I think they used Bank of America. 6 That's where I get -- that's where -- I don't know 7 if that's a bank account number though. I'm not 8 sure. I don't know what it is. I know that's 9 Bank of America.</p> <p>10 Q. And that's Penrod Management's phone 11 number and address?</p> <p>12 A. Where's the phone number.</p> <p>13 Q. 305 534-7253?</p> <p>14 A. That's the fax number.</p> <p>15 Q. But that's Penrod Management's fax/ 16 number?</p> <p>17 A. I don't know. I'm not sure. But the 18 538-1111, that's actually Penrod's -- is that a 19 Penrod Management number? I'm not sure if that's 20 what they use. That's the location, 1 Ocean 21 Drive. That's the night club.</p> <p>22 Q. That's the correct address for Penrod 23 Management?</p> <p>24 A. One Ocean Drive, yes.</p> <p>25 Q. And it shows that Penrod Management</p>	<p>29</p> <p>1 your number at Penrod Management?</p> <p>2 A. It's my cell phone. You can call it 3 and it'll ring right now. Because we didn't have 4 the offices set up so they used my cell phone as 5 Nikki Beach Atlantic City's phone number.</p> <p>6 Q. I'm looking at --</p> <p>7 A. And since it was -- we had to set up 8 so early with Mr. John just to lock it in for the 9 summer that everything was done were they used my 10 cell phone and they called me directly.</p> <p>11 Q. When you say "we," who do you mean 12 "we."</p> <p>13 A. Well, when me dealing with I think 14 her name was Lauren when she kept talking to me 15 and she would call my cell phone directly because 16 I didn't have an office up here. It wasn't set up 17 yet or the accounts.</p> <p>18 Q. Do you recognize that to be Mike 19 Register's signature?</p> <p>20 A. I don't know his signature, but I 21 don't know who else would sign it under Michael 22 Register.</p> <p>23 Q. That's Penrod-2. And Penrod-3, do 24 you recognize that?</p> <p>25 A. I don't know his signature.</p>

<p>1 Q. Do you have any reason to suspect 2 it's not his signature. 3 A. I mean I wouldn't think someone else 4 would sign his name. 5 Q. Do you recall participating in a 6 negotiation of any of these specifications on the 7 contract? 8 A. Yes. I mean I was dealing with 9 Lauren the whole time trying to figure out the 10 right price and right units to use when I was at 11 Atlantic City. 12 Q. And you're looking at Penrod-2. I 13 show you Penrod-3. 14 A. I don't remember the exact -- 15 Q. The same question. 16 A. I mean I was the one that was dealing 17 with her directly, but I don't remember the 18 numbers or if these are exactly that, but I'm sure 19 they are if that's what's in the paper. 20 Q. And it's your contention that, and 21 correct me if I'm wrong, that the contract is 22 between Nikki Beach Atlantic City and Mr. John? 23 A. Correct. 24 Q. Can you point anywhere on either 25 Exhibits 2 or 3 and tell me where would it</p>	<p>30 1 5/27/05 is marked for identification.) 2 (Penrod-5 Mr. John invoice, 3 6/24/05 is marked for identification.) 4 (Penrod-6 Mr. John invoice, 5 7/22/05 is marked for identification.) 6 (Penrod-7 Mr. John invoice, 7 8/19/05 is marked for identification.) 8 (Penrod-8 Mr. John invoice, 9 9/16/05 is marked for identification.) 10</p> <p>11 Q. I'll show you what's been marked as 12 Exhibit-4 and ask you to take a look at it. 13 A. What was this? 14 Q. Did you ever receive that document? 15 A. I didn't. 16 Q. But the document reflects that it was 17 sent to Penrod Management, correct? 18 A. Uh-huh. Yes. 19 Q. And it appears to be an invoice from 20 Mr. John, Incorporated. 21 A. Yes. It's the first time I've ever 22 seen it though. 23 Q. Do you know to whom that invoice 24 would have been sent at Penrod Management? 25 A. It does not say here who they sent it</p>
<p>31 1 identify Nikki Beach Atlantic City as being a 2 party to the contract? 3 A. The events are Nikki Beach Atlantic 4 City. 5 Q. The event is Nikki Beach Atlantic 6 City. Is there any indication of a party to that 7 contract being Nikki Beach Atlantic City, Inc. 8 MR. SAVOLA: Object to form. 9 A. It just probably says Nikki Beach Bar 10 Atlantic City Boardwalk. 11 Q. That's a location. Does it say -- is 12 there a party on it? 13 A. I don't think so. 14 Q. That identifies Nikki Beach Atlantic 15 City as the party to the contract or does it just 16 generally refer to Nikki Beach? 17 MR. SAVOLA: Object to form. 18 A. Now that I see it it says, the top 19 part says Nikki Beach Bar Atlantic City. 20 Q. Again that's the location. Is there 21 any indication that the party -- 22 A. It doesn't. 23 MR. MULVANEY: Let's mark these. 24 25 (Penrod-4 Mr. John invoice,</p>	<p>33 1 to. 2 Q. Right. But in opening the mail at 3 Penrod if somebody sees an invoice where do they 4 usually ship it or to whom do they usually send it 5 to at Penrod Management? 6 MR. SAVOLA: Object to form. 7 A. I don't know. It usually would be 8 somebody's name on it, you know, send blank 9 invoices. 10 Q. Has anyone ever sent a blank 11 invoice? 12 A. I don't know. 13 Q. Who is the accounts receivable 14 accounts payable person at Penrod Management? 15 A. It would be -- you'd have to ask 16 Korollan, the accountant. She would know who. I 17 don't know how it's structured. I'm not in 18 accounting. 19 Q. Do you have any information or 20 knowledge concerning these invoices? 21 A. No. I don't handle the accounting at 22 Penrod Management, so I wouldn't know. 23 Q. But it's your position as a 24 representative of Penrod Management that Penrod 25 Management doesn't owe anything to Mr. John.</p>

<p>1 MR. SAVOLA: Object to form.</p> <p>2 Q. Correct.</p> <p>3 MR. SAVOLA: Nobody has said that he 4 is a representative of the management group.</p> <p>5 A. I work there.</p> <p>6 MR. MULVANEY: Well, we asked for a 7 person from Penrod Management who has knowledge 8 and information concerning the contracts at issue 9 and the invoices at issue and Mr. Penrod was 10 produced.</p> <p>11 MR. SAVOLA: Well, he's being listed 12 in the Answers to Interrogatories by Penrod 13 Management Group as someone that has information, 14 just as Mr. Register has information. As it so 15 happens, Mr. Penrod here has the most information 16 with regard to this deal.</p> <p>17 Q. So you're telling me today that 18 you're not an employee of Penrod Management?</p> <p>19 A. No, I am. But you said a 20 representative. I was the one in Atlantic City 21 talking to Mr. John and setting up the company, 22 setting up the local company. These invoices 23 going to Penrod Management, I don't handle 24 accounting. I don't know where these went or if 25 they came in. I've never seen them.</p>	<p>34</p> <p>1 Q. After receiving the invoices did you 2 have a conversation with Mr. Register about them, 3 do you recall?</p> <p>4 MR. SAVOLA: Objection to form.</p> <p>5 Which invoices are you talking about?</p> <p>6 MR. MULVANEY: Any one of them.</p> <p>7 A. These exhibits with Mr. Register, 8 these invoices? I don't recall talking to him 9 about that.</p> <p>10 Q. Do you recall having a conversation 11 with accounts payable at Penrod Management 12 concerning any of the invoices?</p> <p>13 A. No, not that I recall. This would 14 have been with Cath, the local girl. They handle 15 all the invoices.</p> <p>16 Q. Did you ever instruct anyone at Mr. 17 John to send invoices to Cat?</p> <p>18 A. In Atlantic City?</p> <p>19 Q. Presumably she's in Atlantic City?</p> <p>20 A. All the invoices I believe went 21 there.</p> <p>22 Q. But the invoices that I'm showing you 23 now, exhibits --</p> <p>24 A. Yeah, these say Penrod Management 25 Group and they're all sent in chronological order.</p>
<p>1 Q. I'd ask you to take a look at 2 Exhibits 5, 6, 7 and 8. I'm sorry, the 3 individual you mentioned before, was it Koren?</p> <p>4 A. Korollan, K-O-R-O-L-L-A-N.</p> <p>5 Q. Does she have a last name?</p> <p>6 A. I don't know it off the top of my 7 head. These are all sent in a row. What are 8 these, faxes? They're all sent together. 9 They're all in order.</p> <p>10 Q. Did you have any conversations with 11 anybody at Penrod Management and/or Penrod 12 Brothers concerning those invoices?</p> <p>13 A. These invoices? Not to my knowledge. 14 I've never seen this before. I know we talked 15 about payments before, but I don't know if these 16 were the invoices or what we talked about.</p> <p>17 Q. You had conversations regarding 18 payments to Mr. John?</p> <p>19 A. From Atlantic City, yeah.</p> <p>20 Q. What do you mean from Atlantic City?</p> <p>21 A. Well, we paid Mr. Johns, I believe we 22 paid them once or twice from Atlantic City and 23 then I think we then default. But these were all 24 sent in order by fax. I'm not sure what these are 25 for. And they're each a different month.</p>	<p>35</p> <p>1 Q. Sent to Penrod Management, correct?</p> <p>2 A. Right.</p> <p>3 Q. Did you ever tell anyone after or do 4 you know if anyone had a conversation with anyone 5 at Mr. John concerning those invoices?</p> <p>6 A. Do I know if anybody did? I don't 7 know what conversations they had from Miami.</p> <p>8 Q. Do you know if anybody at Penrod 9 Management ever told anyone at Mr. John to not 10 send invoices to Penrod Management?</p> <p>11 A. I don't know. Not to my knowledge.</p> <p>12 Q. After receiving those invoices do you 13 know if Penrod Management ever informed Mr. John 14 that it did not intend to pay those invoices?</p> <p>15 MR. SAVOLA: Objection to form. I 16 don't think he's ever said that these were 17 received.</p> <p>18 A. I've never seen them. And they appear 19 to be 5 months in a row fax or sent down there. 20 I don't know anything about them. I never seen 21 them. I don't know if there's discussion about 22 them or what.</p> <p>23 Q. Does the fax transmission at the 24 bottom of those pages accurately reflect a 25 facsimile number to Penrod Management.</p>

<p>1 A. No. They actually show they're all 2 sent September and in order, but it doesn't say a 3 number. It doesn't say a phone number. 4 MR. MULVANEY: All right. Mark those. 5 6 (Penrod-9A Department of Treasury, 7 Division of Revenue, Business Support 8 Services, Commercial Recording, 7/20/06 9 is marked for identification.) 10 (Penrod-9B New Jersey Division 11 of Revenue, Certificate of Cancellation, 12 6/30/06 is marked for identification.) 13 14 Q. I'm going to show you what's been 15 marked 9A and 9B. Take a look at that. Do you 16 recognize those documents? 17 A. I've never seen them before. 18 Q. Did you assist in the preparation of 19 those documents? 20 A. No. 21 Q. Do you recognize that as the 22 signature -- is there a signature? 23 A. It looks like the same one before, 24 Michael Register's. 25 Q. Do you have any reason to suspect </p>	<p>38 1 A. Is when they filed. So that would be 2 the date, right? 3 Q. Do you see any other dates on there 4 when it was prepared, when it was sent to the 5 State of New Jersey by anybody from Penrod 6 Management? 7 MR. SAVOLA: Object. Form. 8 A. It'd just be the signature here. 9 Q. And what does that date say? 10 A. 6/30/06. 11 Q. Do you have any idea when this case 12 was commenced? 13 A. No. 14 Q. What's the date of formation up here? 15 A. March 23, 2005. That's the 16 corporation? 17 Q. Well, do you have any knowledge of 18 when Nikki Beach Atlantic City was formed by 19 Penrod Management? 20 A. No. 21 Q. But those do appear to be documents 22 that Penrod Management would have filed to cc 23 operations of Nikki Beach Atlantic City Bar? 24 A. Well, it appears that Michael 25 Register filed to cancel it. </p>
<p>1 that's not Michael Register's signature? 2 A. No. 3 Q. Am I correct when I say that Mr. 4 Register requested that all the information be 5 shipped to Penrod Management in response to those 6 documents? 7 A. Are you asking me does it say ship it 8 to Penrod Management? Yeah, it says that. 9 Q. And it appears that those documents 10 reflect Penrod Management's closure of the Nikki 11 Beach Atlantic City Bar; is that correct? 12 A. I don't know. I don't know what this 13 is for. 14 Q. Well, if you'll take a minute and 15 take a look at it. 16 I'll ask again, do those documents 17 reflect Penrod Management's closure of Nikki Beach 18 Atlantic City? 19 A. Yes, it looks like Nikki Beach 20 Atlantic City was closed. 21 Q. Does it reflect on those documents 22 the date that the closure was to be effective? 23 A. That would be this? 24 Q. That's the file date. The file date 25 specifies July 11, 2006. </p>	<p>39 1 Q. Let's go back to the Nikki Beach 2 entities for a minute. We can go through each 3 one. You said there's one in Miami, correct? 4 A. Yeah. 5 Q. What is the name of that one? 6 A. The legal name? I'm not exactly 7 sure, but I think that's Penrod Brothers I believe 8 is the corporate name there. Penrod Brothers, I 9 believe that's the name of the company there, but 10 I'm not sure. 11 Q. So it's not a Nikki Beach? 12 A. It's d/b/a Nikki Beach. 13 Q. Is it a bar or -- 14 A. It's a bar restaurant. 15 Q. Bar restaurant? 16 A. Lounge, beach club. 17 Q. Do you recall the name of it? 18 A. Nikki Beach. 19 Q. The location in Miami, do you recall 20 the actual name of the bar? 21 A. It's Nikki Beach. 22 Q. Is it Nikki Beach Miami or -- 23 A. Nikki Beach is the name of the beach 24 club. There's a place called Pearl, it's the 25 second floor. Nikki Beach is actually just the </p>

<p>1 actual beach part. The building itself is 2 Penrod's because it was Penrods a long time before 3 and then we did a beach club on the back called 4 Nikki Beach. That's why I believe it retained the 5 name Penrod Brothers. That was before my time. 6 Q. And that entity, the Nikki Beach 7 location in Miami has its own employees? 8 A. Uh-huh. Yes. 9 Q. Do you know how many employees it 10 has? 11 A. I think I've heard it's around 350, 12 400 this time of year. 13 Q. Is it a seasonal operation? 14 A. It's open year round, but the peak 15 seasons are now when it's cold here, it's warm 16 there. But I think all the employees are under 17 Penrod Brothers because in that property the Nikki 18 Beach part is actually just the beach. Upstairs, 19 it's a restaurant called Pearl and downstairs it's 20 called -- what it's called, something else. 21 Q. So there's a beach bar. Is this at a 22 hotel? 23 A. No, it's a stand-alone big building. 24 Q. And outside at the beach -- 25 A. It's called Nikki Beach.</p>	<p>42 1 out. 2 Q. Is the general description and my 3 description accurate? 4 A. Can you repeat the again. 5 Q. Sure. Nikki Beach you indicate is a 6 brand name, correct? 7 A. Nikki Beach is the brand name that 8 people know our parties and things around the 9 world with. 10 Q. Does Nikki Beach have a clothing 11 line? 12 A. Nikki Clothing. It's not Nikki 13 Beach. It's different. The Nikki brand I guess 14 is the brand. If you go to go to New York it's 15 called Nikki Midtown. 16 Q. Let's go through this. The Nikki 17 brand and then we have Nikki -- 18 A. Nikki Beach are the beach clubs. 19 Q. So there's a Nikki brand in 20 Manhattan. 21 A. And Nikki Midtown is the name. 22 Q. And there was a Nikki brand in 23 Atlantic City. 24 A. There was a Nikki Beach. 25 Q. And a Nikki brand in Miami.</p>
<p>1 Q. And upstairs Penrod has a restaurant 2 called Pearl? 3 A. Pearl Restaurant and Lounge and 4 there's a cafe restaurant on the side that's open 5 during the week called Cafe Nikki. There's a bar 6 downstairs indoor, kind of a night club called -- 7 I think it's called Blue or something like that. 8 Q. And Cafe Nikki, is that another one 9 of the Nikki Beach entities? 10 A. No. It was the first one. It was the 11 first thing that was done there. It was a 12 memorial for my little sister named Nicole, so we 13 did a little cafe for her called Cafe Nikki. 14 Q. Is Nikki Beach a tradename? 15 A. Nikki Beach is a beach club that we 16 then expanded around the world and called Nikki 17 Beach as the brand. 18 Q. So it's a brand name Nikki Beach? 19 A. Uh-huh. Yes. 20 Q. And it's really the distinguishing 21 feature is whether it's Atlantic City or whether 22 it's the marina -- 23 A. Where it is. 24 Q. Or Nikki Cafe -- 25 MR. SAVOLA: Let him get the question</p>	<p>43 1 A. There's the Cafe Nikki. It's the 2 first thing we ever did. It was a memorial for my 3 little sister on the beach. It was called Nikki 4 Beach. 5 Q. And there are other Nikki Beach 6 brands worldwide? 7 A. There are Nikki Beach clubs in 8 different parts where there's beaches, yes. 9 Q. Could you describe for me the Nikki 10 brand in midtown? 11 A. The Nikki brand in Midtown is a happy 12 hour restaurant night club. 13 Q. What is it called? 14 A. Nikki Midtown, that's the name. 15 Midtown is the actual name of the bar. 16 Q. Where is it located? 17 A. 151 East 50th Street, 10022 is the 18 zip code, New York, New York. I set that one up 19 so I know the name and address. 20 Q. And Nikki Midtown has its own 21 employees? 22 A. Uh-huh. Yes. 23 Q. How many employees? 24 A. I don't recall. I haven't been 25 there since I opened it, but I think it's --</p>

<p>1 Q. Don't guess, but is it over 10? 2 A. Yes, it's over 10. 3 Q. Over 20? 4 A. I'd say it's probably 30, 50, between 5 that range. 6 Q. And what does Nikki Midtown do? 7 A. It's a happy hour bar restaurant and 8 night club. 9 Q. I think we already discussed Nikki 10 Marina. You said there's one in Cabo? 11 A. Uh-huh. Yes. 12 Q. What is the name of the one in one 13 Cabo? 14 A. In Cabo San Lucas we have a Nikki 15 Beach bar at the Somelia Hotel. 16 Q. And what is the name of it? 17 A. The hotel? 18 Q. The Nikki Beach Bar. 19 A. Nikki Beach, that's what it's called. 20 Q. Not Nikki Beach Cabo? 21 A. It does say Cabo San Lucas underneath 22 if that's what you mean. Just like you see Hard 23 Rock Cafe, Hard Rock Vegas, Hard Rock whatever. 24 Q. And it's located where? 25 A. At the Somelia Hotel. It's called</p>	<p>46</p> <p>1 Q. Do you remember the parties to that 2 contract? Was it Penrod Management and Resorts? 3 A. There would always be the local 4 corporation. 5 Q. Do you have a copy of that contract 6 available? 7 A. I don't have one with me, no. 8 MR. MULVANEY: Let's take a few 9 minutes. I think that really might be all I have 10 at this point. I want to take a break. 11 12 (There is a short recess.) 13</p> <p>14 MR. MULAVENY: Back on the record. 15 Q. You testified earlier that the name 16 Nikki Beach is a brand name; correct? 17 A. Yes. 18 Q. Do you know who owns the brand name 19 Nikki Beach or I should who or what entity owns 20 the brand name Nikki Beach? 21 A. I'm not sure. 22 Q. Would it make sense to you that 23 Penrod Management owns the brand name Nikki Beach? 24 MR. SAVOLA: Object to the form. 25 A. Yeah, I don't know. I don't know if</p>	<p>48</p>
<p>1 Me. The hotel is M-E. 2 Q. Does Nikki Beach have any 3 shareholders? 4 A. I don't know. What do you mean, the 5 brand itself? 6 Q. Yes. 7 A. If there are any it'd probably be my 8 father. I don't know if there are any. 9 Q. Just he would be the only one? 10 A. I mean I'm not sure. What happens is 11 in each location we have partners and we have a 12 local corporation that has the local partnership. 13 I'm not sure Nikki Beach itself is separate. I 14 don't know how that works. 15 Q. And do you do that by agreement with 16 the hotel or wherever it is you're establishing a 17 Nikki Beach brand? 18 A. I think almost every single one is 19 different, but I wouldn't know that. That would 20 be something to ask Michael Register. 21 Q. He didn't want to appear so I have to 22 ask you. 23 A. Yeah, I don't know. 24 Q. Do you have a contract with Resorts? 25 A. I believe we did.</p>	<p>47</p> <p>1 it's my dad or what it is. I'm not sure. 2 Q. And with respect to the contracts 3 that we looked at earlier, and if you need to look 4 at them again, let me know, I think I have them 5 here, do you have any reason to believe that the 6 products referenced on those contracts were not 7 delivered by Mr. John? 8 A. Do I have any reason to believe that 9 those products and those contracts -- let me see 10 which one you're talking about to make sure. 11 Q. This is the April 25th contract that 12 we marked Penrod-2. 13 A. From what I recall we received all 14 the restrooms. I don't remember how many there 15 were. I forget because it was two years ago and I 16 didn't really pay attention to the restrooms that 17 much. 18 Q. So you believe that Mr. John 19 delivered the restrooms? 20 A. I believe so. 21 Q. At least referenced on Penrod-2? 22 A. I believe so. I'm not sure exactly 23 if 2 Gold Plus was delivered, but there were 24 bathrooms delivered. I know they delivered 25 bathrooms.</p>	<p>49</p>

<p>1 Q. And the same questions for Penrod-3 2 do you have any reason to believe that the toilets 3 and/or other products on Penrod-3 were not 4 delivered by Mr. John? 5 A. These I'm not sure what these are. 6 Four city main temporary bathrooms, are those 7 Jiffy Johns, are they -- what are they? I don't 8 know. 9 Q. I can't help you. Unfortunately, I'm 10 the one asking the questions today. 11 A. I don't know what these are to be 12 honest with you. These -- I know we had two big 13 bathrooms and two ADA are the disability 14 accessible ones. I know we had those in the 15 summer. These, I don't know what they are. 16 Q. As you sit here today, can you tell 17 me that Mr. John did not deliver those? 18 A. I don't know. 19 Q. Anything on either 2 or 3. 20 A. Number 3, I don't know what those 21 bathrooms are. 22 Q. Okay. 23 A. I don't know if they delivered them 24 or not. I don't know what they are. These on 25 number 2, I believe they're all delivered.</p>	<p>50 1 anywhere on Exhibit-2? 2 MR. MULAVENY: Objection. 3 A. Nowhere. 4 Q. Let me have you take a look at 5 Exhibit-3, which is another document entitled 6 Agreement for Temporary Restroom Services dated 7 May 3, 2005 for which the plaintiff is making a 8 claim herein. Do you see anywhere on this 9 agreement where Penrod Management Group is a 10 party? 11 MR. MULAVENY: Objection. 12 A. I don't see Penrod Management Group 13 listed on there either. 14 MR. MULAVENY: Thank you. That's all 15 I have. 16 MR. MULVANEY: That's it. 17 MR. SAVOLA: We'll read please. 18 (The deposition is concluded 19 at 2:35 p.m.) 20 21 22 23 24 25</p>
<p>1 Q. So as far as you know Mr. John 2 delivered everything under the contract on 3 Penrod-2? 4 MR. SAVOLA: Object to form. 5 A. On number 2 I believe those were 6 all -- those were delivered. 7 MR. MULAVENY: Okay. I think that's 8 about it. 9 10 CROSS EXAMINATION BY MR. SAVOLA: 11 Q. Let me ask you to have a look at 12 Exhibit-2 which was shown to you by opposing 13 counsel. This is en titled The Agreement for 14 Temporary Restroom Services and it's dated April 15 25, 2005. Is there anywhere on this purported 16 agreement for which the plaintiffs are making a 17 claim herein that says that this is Penrod 18 Management Group that entered into this agreement. 19 MR. MULAVENY: Objection to form. 20 A. The only thing I see on here is Nikki 21 Beach Bar Atlantic City Boardwalk, Atlantic City, 22 New Jersey and my name, Michael Register's name 23 and my cell phone number and the word Nikki Beach. 24 Q. Do you see the word Penrod Management 25 Group referred to as a party to this agreement</p>	<p>51 1 2 3 4 I have read the foregoing 5 transcript and it is true 6 and correct to the best of 7 my knowledge and belief. 8 9 10 11 12 13 MICHAEL VERNON PENROD 14 15 16 17 Sworn and subscribed to this day 18 before me on this day 19 20 of 21 22 23 24 Notary Public 25</p>

1 CERTIFICATE OF OFFICER 2 I, SANDRA A. BYBEL, a Notary Public 3 and Certified Shorthand Reporter of the State of 4 New Jersey, do hereby certify that prior to the 5 commencement of the examination of MICHAEL VERNON 6 PENROD, the witness was duly sworn by me. 7 I DO FURTHER CERTIFY that the 8 foregoing is a true and accurate transcript of the 9 testimony as taken stenographically by and before 10 me at the time, place and on the date hereinbefore 11 set forth. 12 I DO FURTHER CERTIFY that I am 13 neither a relative nor employee, nor attorney or 14 counsel to any of the parties involved, that I am 15 neither related to nor employed by such attorney 16 or counsel and that I am not financially 17 interested in the outcome of the action. 18 19 20 21 22 23 A NOTARY PUBLIC OF THE STATE OF NEW JERSEY 24 My Commission Expires June 26, 2007 25 C.S.R. License No. 30X100058300	54

<p>A</p> <p>accessible 50:14 account 27:7 accountant 17:9 33:16 accountants 15:22 24:14 accounting 11:24 14:6,8,9,18 15:16 16:24 17:4,6,22 19:10 33:18,21 34:24 accounts 15:23 18:7 18:9 19:13,14 29:17 33:13,14 36:11 accurate 44:3 54:8 accurately 6:16 37:24 action 54:17 actual 41:20 42:1 45:15 ADA 50:13 address 9:8 27:11,22 45:19 administrative 11:21 11:23 12:15 17:22 administrator 14:18 17:12 afternoon 1:18 ago 20:19 28:20 49:15 agreement 3:16,19 28:9,14 47:15 51:13 51:16,18,25 52:6,9 ahead 9:5 airport 7:8 America 27:5,9 and/or 35:11 50:3 answer 6:10 9:5,6 Answers 34:12 anybody 19:18 26:12 35:11 37:6,8 40:5 anymore 15:13 Apartment 5:2 appear 27:2 37:18 40:21 47:21 appears 25:12,23 26:2,14 28:4 32:19</p>	<p>39:9 40:24 applicant 22:5,11 23:14 28:1 application 3:14 20:15 23:6,18 25:7 25:13,24 26:10 27:4 applications 21:20,24 22:6,19,23,25 24:4 24:16 applies 24:10,11 apply 19:23 24:6 applying 24:8 28:1 April 49:11 51:14 ARRANGED 1:22 asked 16:18 34:6 asking 9:9 11:14 39:7 50:10 assist 38:18 assume 6:8 Atlantic 1:7 5:10 6:19 12:12,14 17:16 17:19,20 18:4,6,20 20:21 21:1 22:16 23:5,23 24:20 29:5 30:11,22 31:1,3,5,7 31:10,14,19 34:20 35:19,20,22 36:18 36:19 39:11,18,20 40:18,23 43:21 44:23 51:21,21 attend 6:21 attention 49:16 attorney 2:13 5:9 7:9 7:10,13 54:13,15 ATTORNEYS 2:8 authority 26:4 available 48:6</p>	<p>B</p> <p>B 2:10 3:11 back 18:6,24 27:1 41:1 42:3 48:14 bank 19:13 27:5,7,9 banking 27:3 bar 6:18 18:4 20:22 31:9,19 39:11 40:23 41:13,14,15,20 42:21 43:5 45:15 46:7,15,18 51:21</p> <p>Bars 12:11 Barts 13:19 based 26:24 bathrooms 18:11 49:24,25 50:6,13,21 beach 1:7 5:3,10 6:18 9:24 12:12,14,18,23 13:3,4,5,7,9,12,15 13:15,17,18,19,19 13:20,21,23 14:14,19,24 16:10 16:16 17:19,20 18:4 19:22 20:1,3,5 21:1 21:12 22:15 23:5,22 29:5 30:22 31:1,3,5 31:7,9,14,16,19 39:11,17,19 40:18 40:23 41:1,11,12,16 41:18,21,22,23,23 41:25 42:1,3,4,6,18 42:18,21,24,25 43:9 43:14,15,15,17,18 44:5,7,10,13,18,18 44:24 45:3,4,5,7 46:15,18,19,20 47:2 47:13,17 48:16,19 48:20,23 51:21,23 beaches 45:8 beginning 18:6 belief 53:7 believe 10:2,8 11:19 11:20 12:9 14:2 18:24 19:5 20:23 21:23,23 24:12 35:21 36:20 41:7,9 42:4 47:25 49:5,8 49:18,20,22 50:2,25 51:5 best 53:6 big 42:23 50:12 bill 11:25 16:3 bind 26:4 bit 6:10 12:17 19:9 21:25 blank 33:8,10 Blue 43:7 board 11:9 21:10 Boardwalk 31:10 51:21</p> <p>bodies 21:17,18 bookkeeper 17:11 borrow 18:23 bottom 8:12 37:24 brand 13:4 43:17,18 44:6,7,13,14,17,19 44:22,25 45:10,11 47:5,17 48:16,18,20 48:23 branded 13:7 brands 45:6 break 5:25 6:3 48:10 bring 7:24 Brothers 8:20,25 9:11,21,25 10:2,12 10:13 35:12 41:7,8 42:5,17 brought 17:9 Bruce 17:21 building 42:1,23 Business 4:9 38:7 BYBEL 1:13 54:2</p>
		<p>C</p> <p>C 2:1 5:1 Cabo 13:18 46:10,13 46:14,20,21 cafe 43:4,5,8,13,13 43:24 45:1 46:23 call 29:2,15 called 8:21 10:18 18:22 29:10 41:24 42:3,19,20,20,25 43:2,5,6,7,13,16 44:15 45:3,13 46:19 46:25 calls 17:24 cancel 40:25 Cancellation 4:14 38:11 capital 20:6,14,22 21:6 care 8:15 CARPENTER 2:3 Carpetner 1:16 case 5:22 40:11 Casino 21:2,8,15,22 24:17,21 Cat 36:17</p>

Cath 17:9,23,24 36:14	company 1:23 11:3 16:16 22:14 34:21 34:22 41:9	co-counsel 7:20 credit 3:14 24:10,11 25:7,12,24 26:18 27:3 28:1	different 5:22 10:15 13:5,7,8 20:2,9,10 21:3,17,24 23:12 35:25 44:13 45:8 47:19
Catherine 17:24	compiling 26:13	creditors 22:22	Diplomat 20:12
cc 40:22	complete 8:10,13	CROSS 3:3 51:10	DIRECT 3:3 5:7
cell 28:24,25 29:2,4 29:10,15 51:23	completed 25:24 26:9	currently 8:18 13:13	directed 24:23
Center 1:16 2:4	complicated 20:24 21:3	cut 8:12	directly 18:8 29:10 29:15 30:17
Certificate 4:13 38:11 54:1	concerning 33:20	C.S.R 54:25	disability 50:13
Certified 1:13 54:3	concert 21:14	D	disclose 7:11
certify 54:4,7,12	concluded 52:18	D 3:1 5:1	discussed 46:9
check 24:13	contention 30:20	dad 49:1	discussion 37:21
chef 23:1,2	contract 30:7,21 31:2 31:7,15 47:24 48:2 48:5 49:11 51:2	Danielle 19:16 25:14 25:18 26:3,11	distinguishing 43:20
chronological 36:25	contracts 8:5 34:8 49:2,6,9	date 39:22,24,24 40:2 40:9,14 54:10	division 1:1 4:8,12 10:14 38:7,10
city 1:7 5:10 6:19 12:12,14 17:17,19 17:20 18:4,6,20 20:9,21 21:1,16,21 22:16 23:6,23 24:20 30:11,22 31:1,4,6,7 31:10,15,19 34:20 35:19,20,22 36:18 36:19 39:11,18,20 40:18,23 43:21 44:23 50:6 51:21,21	Control 21:2,8,15,22 24:17,21	dated 51:14 52:6	DOCKET 1:2
City's 29:5	controlling 21:18	dates 18:21 19:6,40:3	document 8:1 25:16 32:14,16 52:5
claim 51:17 52:8	conversation 36:2,10 37:4	day 53:19	documents 7:22,24 8:2 23:20 24:25 28:18 38:16,19 39:6 39:9,16,21 40:21
clear 13:2	conversations 7:12 35:10,17 37:7	days 23:8	doing 21:11
closed 39:20	coordinate 16:23	deadline 18:10	downstairs 42:19 43:6
closure 39:10,17,22	coordinated 18:19	deal 16:1 20:9 22:22 34:16	Drive 2:1 5:2 27:21 27:24
clothing 44:10,12	copy 8:10,11,12,13 48:5	dealing 18:15,18 29:13 30:8,16	duly 5:4 54:6
club 27:21 41:16,24 42:3 43:6,15 45:12 46:8	core 10:21	deals 11:18	duties 10:9
clubs 12:11 13:5,6 44:18 45:7	corporate 11:16 41:8	default 35:23	d/b/a 41:12
code 45:18	corporation 40:16 47:12 48:4	Defendants 1:9 2:13	E
cold 42:15	correct 7:16 15:6,8 19:8 26:1 27:22 28:2 30:21,23 32:17 34:2 37:1 39:3,11 41:3 44:6 48:16 53:6	degree 6:25	E 2:1,1 3:1,1 5:1,1,1 53:1,1
college 6:21,23	correctly 15:24	depending 17:3	earlier 16:17 48:15 49:3
comes 9:7	counsel 16:12 24:23 24:25 51:13 54:14 54:16	depends 16:9	early 29:8
commenced 40:12	country 17:3	deposed 5:13	easier 6:10
commencement 54:5	County 1:1 5:11	deposit 19:5	East 45:17
commencing 1:18	couple 6:23 21:24 22:24 28:20	deposition 1:5 7:6 52:18	effective 39:22
Commercial 4:10 38:8	court 1:1 6:11	depositions 6:17	either 17:2 21:21 30:24 50:19 52:13
Commission 21:8,15 21:22 24:18 54:24		describe 12:3 15:17 45:9	Elbow 8:21
Commissions 21:2		description 3:13 44:2 44:3	ELROY 2:3
Community 6:22		detailed 23:9	employed 54:15

<p>54:13 employees 14:1 15:7 15:9 42:7,9,16 45:21,23 en 51:13 entailed 23:1 entered 51:18 entities 13:9,13,23 16:10 19:22 20:1 26:23 41:2 43:9 entitled 52:5 entity 12:18 24:2,3 24:11,19 42:6 48:19 ESQ 2:7,10 establishing 47:16 event 31:5 events 10:15 13:7 31:3 everybody 17:24 exact 30:14 exactly 10:23 11:1,14 21:12 25:1 30:18 41:6 49:22 examination 5:7 51:10 54:5 example 20:3 exhibits 30:25 35:2 36:7,23 Exhibit-2 51:12 52:1 Exhibit-3 52:5 Exhibit-4 32:12 expanded 43:16 Expires 54:24</p>	<p>40:22,25 files 24:4,19 filled 22:23 financial 14:3 financially 54:16 fine 8:16 firm 22:1,2 first 18:5 32:21 43:10 43:11 45:2 floor 41:25 Florham 1:24 Florida 2:12 5:3,17 5:23 6:17 13:17 26:20 follows 5:5 food 21:14 22:25 23:6,11 foregoing 53:4 54:8 forget 49:15 form 9:1,4 12:22 13:11 19:11,25 20:8 26:5 28:3 31:8,17 33:6 34:1 36:4 37:15 40:7 48:24 51:4,19 formation 40:14 formed 19:23 40:18 Fort 8:22 forth 54:11 four 21:17 50:6 front 21:10 function 11:17 functions 10:21 11:21,23 12:16 FURTHER 54:7,12</p>	<p>44:14,16 going 34:23 38:14 Gold 49:23 government 21:16,17 great 8:14 ground 5:19 group 1:8 8:23 11:20 11:20 12:6,8 16:1 19:2,3 25:25 34:4 34:13 36:25 51:18 51:25 52:9,12 guarantee 23:7 guess 9:22 10:11 13:22 44:13 46:1 guy 14:10 15:11,12 16:17 17:21 guys 16:18</p>	<p>I idea 26:15 40:11 identification 25:9 28:11,16 32:1,3,5,7 32:9 38:9,12 identifies 31:14 identify 31:1 imagine 16:18 25:2 incomplete 8:12 Incorporated 32:20 indicate 44:5 indication 31:6,21 individual 35:3 indoor 43:6 information 26:14 27:3 33:19 34:8,13 34:14,15 39:4 informed 37:13 instruct 36:16 intend 37:14 interact 15:22 interested 54:17 Internet 10:19 Interrogatories 34:12 invoice 3:22,24 4:1,3 4:5 31:25 32:2,4,6,8 32:19,23 33:3,11 invoices 8:3 33:9,20 34:9,22 35:12,13,16 36:1,5,8,12,15,17 36:20,22 37:5,10,12 37:14 involved 16:2 25:3 54:14 issue 34:8,9 issues 14:8 Italy 13:20 it'd 8:13 40:8 47:7 it'll 29:3</p>
<p>F facsimile 37:25 familiar 6:14 19:20 far 51:1 father 10:3,4,6 47:8 fax 1:24 27:14,15 35:24 37:19,23 faxes 35:8 feature 43:21 federal 21:16 figure 30:9 file 21:20 24:21 39:24 39:24 filed 22:6,18 23:17 24:4,16 25:13 40:1</p>	<p>G 53:1,1 Gateway 1:16 2:4 general 15:11 17:21 44:2 generally 31:16 gentleman 16:22 getting 19:1 girl 17:9 36:14 girls 17:12 glassware 21:13 go 5:19 9:5 20:10 24:24 41:1,2 44:14</p>	<p>20:12,24 21:1 24:22 25:3 42:22 46:15,17,25 47:1,16 hour 45:12 46:7 Houser 19:16 25:14 25:18 26:3,11 Hughes 23:3</p>	<p>J Jack 10:5 Jerry 15:11 Jersey 1:1,14,17,23 1:24 2:6 4:12 5:15 17:7 21:21 22:9,21 38:10 40:5 51:22 54:4,23</p>

Jiffy 50:7	L	52:4	marketing 9:23 10:11,14,19
John 1:4 3:15,22,24 4:1,3,5 5:9 18:3,8 18:10,14,15,19 19:6 19:7 25:8,13,25 28:2 29:8 30:22 31:25 32:2,4,6,8,20 33:25 34:21 35:18 36:17 37:5,9,13 49:7,18 50:4,17 51:1	lady 14:9 17:1 18:14 Lauderdale 8:22 Lauren 18:15 29:14 30:9 law 1:1 5:4 22:1,2 lawsuit 5:10 lawyers 16:23 26:6 Layout 21:11 lead 17:22 legal 11:24 12:15 15:16,25,25 16:7,7 16:12,15,21 19:10 24:23,24 41:6	looked 49:3 looking 29:6 30:12 looks 38:23 39:19 loosely 19:23 lost 19:1 lot 6:12 Lounge 41:16 43:3 Lucas 13:18 46:14,21	Marrakech 13:21 matters 15:25 MC 2:3 McElroy 1:15 mean 9:4 12:21,23 17:18 20:18 29:11 30:3,8,16 35:20 46:22 47:4,10
Johns 35:21 50:7 judge 9:8 July 39:25 June 54:24	K	M	means 9:7 meet 21:18 meetings 21:11 memorial 43:12 45:2 mentioned 16:17 21:9 35:3 met 7:21 16:13,19 Mexico 13:18 Miami 2:12 5:3 9:24 10:22 13:16 18:23 23:20 26:24 37:7 41:3,19,22 42:7 44:25
keep 16:6 Kennedy 7:17,19 kept 29:14 kind 20:4 23:8 43:6 knew 16:18 know 6:1,6 7:18 9:13 10:3 11:1,5,6,8,13 11:15,17 15:10,11 16:12 17:10,23 19:15 20:17,18 25:20,21 26:7,9,12 26:16,17,19,21 27:6 27:8,8,17 29:20,21 29:25 32:23 33:7,8 33:12,16,17,22 34:24 35:6,14,15 37:4,6,7,8,11,13,20 37:21 39:12,12 42:9 44:8 45:19 47:4,8 47:14,19,23 48:18 48:25,25 49:4,24 50:8,11,12,14,15,18 50:20,23,24 51:1	Let's 12:17 15:3 31:23 41:1 44:16 48:8 License 54:25 licenses 7:3 limited 16:2 line 44:11 listed 34:11 52:13 little 6:10 12:17 19:9 43:12,13 45:3 LLC 1:7 LLP 1:16 2:3 loan 24:6,9 loans 19:24 local 10:15 14:17 15:22 16:12,15 17:3 17:4,6 21:6 22:1,13 22:14 24:1,2,3,7,11 24:15,17,19,24 25:2 34:22 36:14 47:12 47:12 48:3 located 45:16 46:24 location 14:13,15,17 14:23,25 20:13 23:25 27:20 31:11 31:20 41:19 42:7 47:11 locations 13:8 20:2 lock 18:21 19:6 29:8 long 20:18 42:2 look 32:12 35:1 38:15 39:15 49:3 51:11	management 1:7 5:11 8:23,24 9:10 9:15,18 10:7,23 11:11,18,19 12:5,8 14:11,12,16 15:16 16:1,3,8,20 17:15 17:25 19:2,3,9,19 22:12 23:24 25:25 26:4,13,18 27:19,23 27:25 29:1 32:17,24 33:5,14,22,24,25 34:4,7,13,18,23 35:11 36:11,24 37:1 37:9,10,13,25 39:5 39:8 40:6,19,22 48:2,23 51:18,24 52:9,12 Management's 27:3 27:10,15 39:10,17 manager 15:12 17:21 Manhattan 44:20 Marbella 13:21 March 1:17 40:15 marina 13:17 15:2,18 20:4,6,11 43:22 46:10 Marina's 20:19 mark 25:4 28:6,12 31:23 38:4 marked 25:8 28:11 28:15 32:1,3,5,7,9 32:11 38:9,12,15 49:12	Michael 1:6,12 3:4 5:8 8:18 16:22 17:4 29:21 38:24 39:1 40:24 47:20 51:22 53:13 54:5 Middlesex 1:1 5:11 midtown 13:16 44:15 44:21 45:10,11,14 45:15,20 46:6 MID-L-6951-05 1:2 Mike 29:18 minor 17:2 minute 39:14 41:2 minutes 48:9 money 18:8,21,23,23 19:4,12 21:5 month 35:25 months 6:23 21:19 37:19 morning 28:19 MULAVENY 8:5 48:14 51:7,19 52:2 52:11,14 Mulberry 1:16 2:5 Mulvaney 1:15 2:3,7 3:5 5:7,8 8:7,9 25:4

28:6,12 31:23 34:6 36:6 38:4 48:8 52:16 music 21:14 M-E 47:1	16:10,16 17:19,20 18:4 19:22 20:1,3,5 20:19 21:1 22:15 23:5,22 29:5 30:22 31:1,3,5,7,9,14,16 31:19 39:10,17,19 40:18,23 41:1,11,12 41:18,21,22,23,25 42:4,6,17,25 43:5,8 43:9,13,14,15,16,18 43:24 44:5,7,10,12 44:12,13,15,16,17 44:18,19,21,22,24 44:25 45:1,3,5,7,9 45:11,14,20 46:6,9 46:14,18,19,20 47:2 47:13,17 48:16,19 48:20,23 51:20,23 51:22	once 35:22 ones 12:4 50:14 open 42:14 43:4 opened 20:1,6,21 45:25 opening 33:2 operate 20:7 operating 13:24 15:5 operation 42:13 operations 40:23 opposing 51:12 oral 6:16 order 35:9,24 36:25 38:2 outcome 54:17 outside 42:24 owe 33:25 owns 48:18,19,23 o'clock 1:18	payroll 14:24 peak 42:14 Pearl 41:24 42:19 43:2,3 pending 5:10 6:2 Penrod 1:6,7,12 3:4 5:11 8:20,22,24,25 9:10,11,14,17,20,25 10:2,5,7,11,13,23 11:10,17,19 12:5,7 14:11,12,16 15:15 16:1,3,8,20,24 17:14,25 19:2,3,9 19:19 22:11 23:23 25:25 26:4,12,17 27:2,10,15,19,22,25 29:1 32:17,24 33:3 33:5,14,22,24,24 34:7,9,12,15,18,23 35:11,11 36:11,24 37:1,8,10,13,25 39:5,8,10,17 40:5 PAGE 3:13 pages 37:24 paid 14:22 18:24 35:21,22 paper 30:19 paperwork 24:19 Park 1:24 part 31:19 42:1,18 participated 26:13 participating 30:5 parties 13:6 44:8 48:1 54:14 partner 20:11,13,25 21:6 24:22 partners 13:8 24:1 47:11 partnership 22:14 47:12 parts 45:8 party 31:2,6,12,15,21 51:25 52:10 Paul 7:19 pay 23:7,8 37:14 49:16 payable 33:14 36:11 payments 18:1 35:15 35:18
N		P	
N 2:1 3:1 5:1,1,1 53:1 name 5:8 15:14 17:9 17:10,23,24 18:15 19:18,20 22:2 25:20 25:24 26:7 29:14 30:4 33:8 35:5 41:5 41:6,8,9,17,20,23 42:5 43:18 44:6,7 44:21 45:14,15,19 46:12,16 48:15,16 48:18,20,23 51:22 51:22		P 2:1,1 5:1 53:1 PAGE 3:13 pages 37:24 paid 14:22 18:24 35:21,22 paper 30:19 paperwork 24:19 Park 1:24 part 31:19 42:1,18 participated 26:13 participating 30:5 parties 13:6 44:8 48:1 54:14 partner 20:11,13,25 21:6 24:22 partners 13:8 24:1 47:11 partnership 22:14 47:12 parts 45:8 party 31:2,6,12,15,21 51:25 52:10 Paul 7:19 pay 23:7,8 37:14 49:16 payable 33:14 36:11 payments 18:1 35:15 35:18	
named 14:10,10 17:1 17:21,22 43:12 names 15:10,11 23:12 26:19 need 5:25 24:4 49:3 needed 18:11,21 24:16 negotiation 30:6 neither 54:13,15 never 7:21 16:13,19 34:25 35:14 37:18 37:20 38:17 new 1:1,14,17,24 2:6 4:12 5:15 13:16 17:7 21:21 22:9,21 23:25 38:10 40:5 44:14 45:18,18 51:22 54:4,23		PAGE 3:13 pages 37:24 paid 14:22 18:24 35:21,22 paper 30:19 paperwork 24:19 Park 1:24 part 31:19 42:1,18 participated 26:13 participating 30:5 parties 13:6 44:8 48:1 54:14 partner 20:11,13,25 21:6 24:22 partners 13:8 24:1 47:11 partnership 22:14 47:12 parts 45:8 party 31:2,6,12,15,21 51:25 52:10 Paul 7:19 pay 23:7,8 37:14 49:16 payable 33:14 36:11 payments 18:1 35:15 35:18	
O			
O 5:1,1 object 9:1,4,12 12:22 13:11 19:11,25 20:8 26:5 28:3,31:8,17 33:6 34:1 37:15 40:7 48:24 51:4 Objection 36:4 51:19 52:2,11 Ocean 27:20,24 office 1:15 24:17 29:16 Officer 5:5 54:1 offices 18:7 29:4 Okay 5:21,24 7:5 8:17 9:9,25 12:19 15:4 18:16 28:21 50:22 51:7 Omar 14:10 17:1			

<p>place 8:21 24:21 41:24 54:10</p> <p>plaintiff 1:5 2:8 5:9 52:7</p> <p>plaintiffs 51:16</p> <p>planned 21:12</p> <p>please 6:6 7:11 52:17</p> <p>Plus 49:23</p> <p>point 5:2 30:24 48:10</p> <p>position 10:10,11 33:23</p> <p>preparation 7:5 38:18</p> <p>prepare 14:3</p> <p>prepared 40:4</p> <p>present 21:15</p> <p>Presumably 36:19</p> <p>pretty 14:21</p> <p>price 30:10</p> <p>prior 54:4</p> <p>probably 31:9 46:4 47:7</p> <p>problems 15:25</p> <p>process 22:23</p> <p>produced 8:2 34:10</p> <p>production 8:3</p> <p>products 49:6,9 50:3</p> <p>professional 7:2</p> <p>programs 10:16</p> <p>pronouns 18:25</p> <p>properties 11:22 12:3 12:7,24 20:10</p> <p>property 9:23 12:10 42:17</p> <p>provide 19:10</p> <p>provided 8:11 16:7 16:15,20,24</p> <p>provides 15:16</p> <p>Public 1:14 53:24 54:2,23</p> <p>Puerto 13:18</p> <p>purported 51:15</p> <p>purposes 9:4 14:18</p> <p>put 20:13 21:5</p> <p>puts 9:6</p> <p>putting 21:12</p> <p>P-1 25:12</p> <p>p.m. 52:19</p>	<p>Q</p> <p>question 6:2,2,5,9 9:5 9:6 14:6 30:15 43:25</p> <p>questions 13:1 50:1 50:10</p> <p>quicker 6:12</p> <p>quite 21:25</p> <p>R</p> <p>R 2:1 5:1,1 53:1</p> <p>range 46:5</p> <p>read 23:21 52:17 53:4</p> <p>really 43:20 48:9 49:16</p> <p>reason 30:1 38:25 49:5,8 50:2</p> <p>recall 19:17,21 20:20 22:3,5,10 23:14,16 24:8 25:18 28:20 30:5 36:3,8,10,13 41:17,19 45:24 49:13</p> <p>receivable 15:23 33:13</p> <p>receive 6:25 9:14 11:10 32:14</p> <p>received 37:17 49:13</p> <p>receiving 14:24 36:1 37:12</p> <p>recess 48:12</p> <p>recognize 19:18 26:23 28:18 29:18 29:24 38:16,21</p> <p>record 9:3,7 48:14</p> <p>Recording 4:10 38:8</p> <p>RECROSS 3:3</p> <p>REDIRECT 3:3</p> <p>refer 27:1 31:16</p> <p>referenced 49:6,21</p> <p>references 26:18</p> <p>referred 51:25</p> <p>reflect 37:24 39:10 39:17,21</p> <p>reflects 32:16</p> <p>regard 34:16</p> <p>regarding 35:17</p> <p>Register 16:22 17:5</p>	<p>29:22 34:14 36:2,7 39:4 40:25 47:20</p> <p>Register's 29:19 38:24 39:1 51:22</p> <p>related 10:19 54:15</p> <p>relative 54:13</p> <p>remember 21:2,25 23:12 30:14,17 48:1 49:14</p> <p>repeat 6:7 44:4</p> <p>rephrase 6:6</p> <p>reporter 1:13 6:11 54:3</p> <p>REPORTING 1:22 1:23</p> <p>representative 33:24 34:4,20</p> <p>request 8:3</p> <p>requested 39:4</p> <p>require 20:6</p> <p>required 20:22</p> <p>Resorts 21:1 47:24 48:2</p> <p>respect 10:10 18:3 49:2</p> <p>respond 6:1</p> <p>response 8:2 39:5</p> <p>responsibilities 10:10</p> <p>restaurant 41:14,15 42:19 43:1,3,4 45:12 46:7</p> <p>restaurants 12:11 13:5</p> <p>Restroom 3:17,20 28:10,15 51:14 52:6</p> <p>restrooms 49:14,16 49:19</p> <p>retained 42:4</p> <p>Revenue 4:8,13 38:7 38:11</p> <p>review 7:22</p> <p>right 6:13 18:21 29:3 30:10,10 33:2 37:2 38:4 40:2</p> <p>ring 29:3</p> <p>Road 1:23</p> <p>Rock 46:23,23,23</p> <p>Room 8:21</p> <p>round 42:14</p>	<p>row 35:7 37:19</p> <p>rules 5:19</p> <p>run 24:1</p> <p>running 20:13</p> <p>Ryan 2:7 5:8</p> <p>S</p> <p>S 2:1 3:11 53:1</p> <p>Saint 13:19</p> <p>salary 8:22 9:14 11:10</p> <p>San 13:18,20 46:14 46:21</p> <p>SANDRA 1:13 54:2</p> <p>Sardinia 13:20</p> <p>Savola 2:10 3:6 7:15 7:20 8:1,6,17 9:1,3 9:12 12:22 13:11 19:11,25 20:8 26:5 28:3 31:8,17 33:6 34:1,3,11 36:4 37:15 40:7 43:25 48:24 51:4,10 52:17</p> <p>says 26:11 31:9,18,19 39:8 51:17</p> <p>seasonal 42:13</p> <p>seasons 42:15</p> <p>second 27:2 41:25</p> <p>see 23:19 31:18 40:3 46:22 49:9 51:20,24 52:8,12</p> <p>seeing 28:20</p> <p>seen 25:15 32:22 34:25 35:14 37:18 37:20 38:17</p> <p>sees 33:3</p> <p>send 18:22 33:4,8 36:17 37:10</p> <p>sense 48:22</p> <p>sent 23:20 32:17,24 32:25 33:10 35:7,8 35:24 36:25 37:1,19 38:2 40:4</p> <p>separate 47:13</p> <p>September 38:2</p> <p>services 1:22 3:17,20 4:9 10:16 11:25 15:16,17 16:4,7,7 16:15,21,25 17:4,7</p>
--	---	---	---

19:10 23:6 28:10,15 38:8 51:14 52:6 set 12:15,16 17:20 18:7,7,10 19:12,13 20:10,11,20,24,25 23:25 25:2 28:23 29:4,7,16 45:18 54:11 setting 10:15 18:5,20 34:21,22 setup 21:19 22:25 shaking 6:15 shareholder 10:6 shareholders 10:1 47:3 ship 33:4 39:7 shipped 39:5 short 48:12 Shorthand 1:13 54:3 show 21:11 25:11 30:13 32:11 38:1,14 showing 36:22 shown 25:12 28:19 51:12 shows 27:25 side 16:6 43:4 sign 29:21 30:4 signature 29:19,20 29:25 30:2 38:22,22 39:1 40:8 single 47:18 sister 43:12 45:3 sit 21:10 50:16 six 20:19 somebody 14:13 33:3 somebody's 33:8 Somelia 46:15,25 sorry 10:17 18:13,25 19:2 35:2 sounds 19:20 south 5:2 26:20 Southern 26:21 speak 7:17 Speaking 8:9 specifications 30:6 specifies 39:25 Spirits 26:21 spoke 7:9,12 20:5 stadium 21:14	stand-alone 42:23 state 1:14 5:15,17,23 17:7 21:21 22:9,21 24:18 40:5 54:3,23 statements 14:4 stenographically 54:9 Steve 7:7,23 STEVEN 2:10 stick 20:4 Street 1:17 2:5 45:17 structure 10:25 11:16 structured 33:17 stuff 9:23 subdivisions 22:8 subscribed 53:17 subsidiaries 11:4,7 11:15 subsidiary 8:24 9:10 Suite 1:23 summer 18:12 29:9 50:15 SUNSET 2:11 SUPERIOR 1:1 suppliers 22:22 Support 4:9 38:7 sure 6:14 10:25 11:1 11:9,14 12:4 14:5 14:21 15:13,20,23 21:4,24 23:1,9 25:1 25:20 26:7 27:8,17 27:19 30:18 35:24 41:7,10 44:5 47:10 47:13 48:21 49:1,10 49:22 50:5 suspect 30:1 38:25 sworn 5:4 53:17 54:6 Sysco 26:21	talking 12:10 15:19 29:14 34:21 36:5,8 49:10 Tallahassee 6:22 teams 10:15 20:11 Tel 1:24 tell 6:7 12:25 13:14 15:2 30:25 37:3 50:16 telling 34:17 temporary 3:16,19 28:10,14 50:6 51:14 52:6 term 19:23 terms 23:8 testified 48:15 testifies 5:5 testimony 1:11 6:16 54:9 Thank 52:14 they'd 17:2,3 thing 10:18 23:8 25:2 43:11 45:2 51:20 things 17:2 21:4,7,9 44:8 think 8:11 9:13,22 10:3 13:12,13 15:21 15:24 17:13,23 18:15,17 19:14 20:23 22:24 23:7 27:5 28:20 29:13 30:3 31:13 35:23 37:16 41:7 42:11,16 43:7 45:25 46:9 47:18 48:9 49:4 51:7 three 1:16 2:4 8:2 21:17 throw 13:6 time 5:25 30:9 32:21 42:2,5,12 54:10 Timothy 23:3 title 9:17,20 titled 51:13 today 7:25 13:24 16:11 34:17 50:10 50:16 toilets 50:2 told 37:9	top 17:10 22:3 31:18 35:6 totally 28:23 tradename 43:14 transcript 1:11 53:5 54:8 transfer 8:4,10 transferred 19:4 transmission 37:23 Treasury 4:7 38:6 trial 9:7 Trope 13:20 true 53:5 54:8 try 6:6 trying 30:9 Tuesday 1:17 TV 10:16,18,20 twice 35:22 two 8:3,5 17:12 49:15 50:12,13 types 21:7
U			
U 53:1			
Uh-huh 5:12,18 11:12 12:1 22:20 26:24 32:18 42:8 43:19 45:22 46:11			
underneath 46:21			
understand 6:5,8 12:2			
understanding 16:14			
Unfortunately 50:9			
units 30:10			
upfront 20:13			
upstairs 42:18 43:1			
use 15:3 19:23 27:20 30:10			
usually 21:6 24:7,18 33:4,4,7			
V			
V 5:1			
various 22:8			
Varta 13:19			
Vegas 46:23			
vendors 22:22,25 23:11 26:20,20,25			
VERITEXT/NEW			

1:23	year 42:12,14	31 3:22	
VERNON 1:6,12 3:4	years 20:19 28:20	32 3:24,4:1,3,5	
53:13 54:5	49:15	33 139:5:3	
VIP 10:16	York 13:16 44:14	33 173:2:12	
Vreeland 1:23	45:18,18	350 42:11	
vs 1:6		38 4:7,12	
<hr/>			
W			
wait 6:9	zip 45:18	4	
want 47:21 48:10	zoning 24:17 25:1	4/25/05 3:18 28:10	
wanted 21:13,13		400 42:12	
warm 42:15	#	410-1313 1:24	
wasn't 29:16	#443 2:11	410-4040 1:24	
way 6:18			
week 43:5	0		
went 6:22 34:24	07102 2:6	5	
36:20	07932 1:24	5 3:5 35:2 37:19	
Weston 20:12		5/27/05 3:23 32:1	
we'll 16:6 20:4 52:17	1	5/3/05 3:21 28:15	
we're 12:10 15:19	1 27:20	50 46:4	
we've 24:21	1:00 1:18	50th 45:17	
Wine 26:21	10 13:22 46:1,2	51 3:6	
wire 8:4,10 18:8	100 1:16 2:5 5:2	534-7253 27:13	
wired 18:8 19:3	10022 45:17	538-1111 27:18	
witness 3:3 54:6	11 39:25		
word 51:23,24	12 13:13	6	
work 8:19,20 10:13	151 45:17	6 35:2	
15:1,12 19:17 23:4		6/24/05 3:25 32:3	
34:5	2	6/30/06 4:14 38:12	
worked 17:8,13	2 30:25 49:23 50:19	40:10	
19:19 23:5 25:21	50:25 51:5		
working 20:6,22 21:5	2:35 52:19	7	
works 25:21,22 47:14	20 1:17 46:3	7 35:2	
world 13:6,8 43:16	2005 40:15 51:15	7/20/06 4:11 38:8	
44:9	52:7	7/22/05 4:2 32:5	
worldwide 45:6	2006 39:25		
wouldn't 11:8 18:11	2007 1:18 54:24	8	
26:15,15 30:3 33:22	23 40:15	8 35:2	
47:19	25 3:14 51:15	8/19/05 4:4 32:7	
wrong 30:21	25B 1:23	8770 2:11	
wrote 28:5	25th 49:11		
<hr/>			
X			
X 3:1,11	26 54:24	9	
<hr/>			
Y			
yeah 6:4 22:20 26:2	2602 5:2	9A 38:15	
35:19 36:24 39:8	28 3:16,19	9B 38:15	
41:4 47:23 48:25		9/16/05 4:6 32:9	
	3 30:25 50:19,20 52:7	973 1:24,24	
	30 23:8 46:4		
	30X100058300 54:25		
	301 1:23		
	305 27:13		

EXHIBITS



the complete source for
temporary restrooms

CREDIT APPLICATION

PLEASE TYPE OR PRINT ALL INFORMATION

The undersigned hereby applies for credit with Mr. John and agrees to abide by its standard terms and conditions as printed below as to any presently outstanding or future account balances.

DATE 4/21/05	FEDERAL ID: 65-1151495	DATE STARTED:
FIRM'S LEGAL NAME: Penrod Management Group, Inc		DEA:
BILLING ADDRESS: 1 Ocean Drive		
CITY/STATE/ZIP: Miami Beach, FL 33139		
OFFICE ADDRESS (IF DIFFERENT FROM ABOVE): 		
CITY/STATE/ZIP: 		
PHONE NUMBER: 305-538-1111	FAX NUMBER: 305-534-7253	RATED IN DEBT: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES RATING (IF KNOWN):
AMOUNT OF CREDIT REQUIRED: 		
PURCHASE ORDER REQUIRED: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES		
DESCRIPTION OF BUSINESS: <input type="checkbox"/> 1. SOLE PROPRIETORSHIP <input type="checkbox"/> 2. GENERAL PARTNERSHIP <input checked="" type="checkbox"/> 3. CORPORATION <input type="checkbox"/> NON PROFIT ORGANIZATION (ATTACH TAX EXEMPT CERTIFICATE)		

EXHIBIT

Penrod - 1
3/20/07 SP

NOTE: If numbers 1 or 2 are checked above, please fill in the following information:

NAME OF PRINCIPALS	RESIDENTIAL STREET ADDRESS-CITY/STATE/ZIP	SS#	DATE OF BIRTH
1			
2			
3			

TRADE REFERENCES

NAME	CONTACT	ADDRESS	PHONE	FAX
1 Sysco Foods	John Hussey	P.O. Box 64000-A Miami, FL 33164	1-800-877-4766	
2 Henry Lcc	Joe Knafo	3301 NW 125th St Miami, FL	305-485-5890	
3 Kitchens of the Ocean	John	P.O. Box 276003 Boca Raton, FL 33427	1-800-327-0132	
4 Southern Wine & Spirits		11000 NW 103rd St Miami, FL 33169	305-625-4111	
5 Premier Beverage	Michael Staruk	P.O. Box 3500 Miramar, FL 33083	305-766-8973	

Cxt 2050

BANK REFERENCE

NAME	CONTACT	ADDRESS	PHONE
Bank of America	Paula Campos	701 Brickell Ave Miami, FL 33131	305-350-7035
ACCOUNT NUMBER: 0054 8400 7077	TYPE OF ACCOUNT: Checking		

I hereby authorize the release of any and all credit information to Mr. John from the above listed references.

AUTHORIZED SIGNATURE <i>Danielle Houser</i>	TITLE: Accountant
PRINT NAME Danielle Houser	DATE: 4/21/05

Please fax or mail credit application along with the tax exempt certificate, if applicable.
Terms: NET 10 days



Russell Reid / Mr. John # 200 Smith Street # Keasbey, NJ 08832
www.russellreid.com 800.356.4468 www.mrjohn.com 800.628.8955
 Wastewater Management | Temporary Restrooms | Solid Waste Services

GENERAL TERMS AND CONDITIONS

1. The Rental/Lessee hereinafter referred to as The Customer acknowledges that it has the care, custody and management of the equipment owned by Mr. John Portable Sanitation Units, Inc. (The Company) and accepts responsibility for the equipment and its contents except when it is being physically handled by employees of The Company. The Customer agrees to indemnify and hold harmless the Company from and against any and all claims for losses or damages to property or life (specifically including but not limited to any claims for damages due to personal injury) resulting from the use or possession of The Company=s equipment.
2. The Company shall not be liable for loss or damage due to delay in delivery or service resulting from any cause beyond The Company=s control including but not limited to compliance with any regulations, orders or instructions of any federal, state, or municipal government nor any department or any agency thereof, acts of God, acts or omissions of The Customer, acts of civil or military authority, fires, strikes, factory shutdowns, or alterations, embargoes, war, riots, delays in transportation, or inability due to causes beyond The Company=s reasonable control to obtain necessary labor, manufacturing facilities, or materials.
3. It is expressly understood and agreed this is an agreement of rental/lease only and The Customer does not acquire title to the equipment.
4. To initiate all orders The Customer must agree to the following payment terms. Confirmation of the Customer=s acceptance of these payment terms will be established by signing below and faxing to The Company at 732-417-0367. No orders will be final until a signed copy of this document is received by The Company. Payment Terms:
5. 50% deposit for all orders placed more than six (6) weeks prior to delivery date. Full payment for all orders placed within six (6) weeks of the delivery date. Full payment for all orders 30 days prior to the delivery date. All orders not paid in full 30 days prior to the delivery date will lose their equipment and service reservation. If The Customer fails to pay in full and cancels the order the 50% deposit will be forfeited as outlined below. All COD payments via check at the time of delivery must be secured by a credit card.
6. The Customer may cancel this order, reduce quantities, revise specifications or extend schedules only by mutual agreements and agrees to pay proper cancellation charges which shall take into account expenses already incurred and commitments made by The Company and shall indemnify The Company against any loss, such loss may or shall not to exceed total contract price.

<u>Canceled Before Event</u>	<u>% of Deposit Returned</u>
120 days	75%
90 days	50%
60 days	25%
30 days	none

7. The Customer agrees to properly protect the equipment hereby leased against damage or loss to same or any part thereof from any cause whatsoever and further agrees to return same to The Company in as good condition as received, excluding reasonable wear and tear. All orders including the Premier or Trailer product require a Certificate of Insurance naming Mr. John, Inc. as additional insured in the amount stated on the temporary restroom service agreement. Mr. John will not release delivery of any Premier or Trailer prior to receiving a faxed copy of the Certificate of Insurance to 732-417-0367.
8. In the event that this agreement is not properly executed by or on behalf of The Customer, the acceptance of the leased equipment by customer when delivered by The Company pursuant to order of The Customer, shall be subject to all the terms and conditions of this agreement.



RUSSELL REID / MR. JOHN PO BOX 130 MEASSETT, NH 03752-130
www.russellreid.com 603.626.8555 1.800.626.8555

Date: April 25, 2005

AGREEMENT FOR TEMPORARY RESTROOM SERVICES

Customer: Nikki Beach
 Ordered by: Michael Penrod or Michael Register
 Phone: 954-854-3308

Event: Nikki Beach Bar
 Atlantic City Boardwalk
 Atlantic City, NJ

EXHIBIT

Penrod-2
3/20/07 SB

Equipment will be delivered/installed on: Fri. April 29, 2005

<u>Quantity</u>	<u>Description</u>
2	Gold Plus Trailers
2	ADA POD Units

The equipment will be picked up on: Friday September 2, 2005

Rental Charges:

2	Gold Plus Trailers	\$12,000.00/28 day rental
2	ADA POD Unit @ \$2,300.00 each	\$4,600.00/28 day rental

Delivery and Installation Charges:

2	Delivery, Setup, and Pickup of Gold Plus Trailers at \$450.00 per unit	\$900.00 one time charge
1	Delivery, Setup, and Pickup of ADA Unit at \$1000.00 per unit	\$2000.00 one time charge

Total Rental Charges from April 29, 2005 through September 2, 2005

Total for 2 Gold Plus Trailers

Breakdown:

28 day cycle billing

April 29 through September 2

\$428.57 per day x 125 days = \$53,571.43

Total for 2 ADA PODS (Handicap Units)

Breakdown:

28 day cycle billing

April 29 through September 2

\$164.29 per day x 125 days = \$20,535.71

Total for trailers and ADA PODS from April 29-September 2, including all delivery charges \$77,000.714

Service Charges:

No service charges, all equipment will be hooked into the city water and sewer systems.

Charges are as follows:

- \$8,850.00 due by April 22, 2005
- Balance of Due Net 10 Days
- Please fill out our credit application so you are put on cycle billing

Accepted:

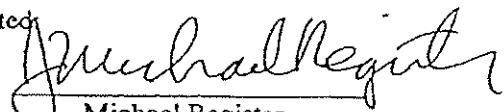
By:

Lauren Gommel
Account Executive

Accepted:

By:

Michael Register
Nikki Beach





RUSSELL REID / MR. JOHN PO BOX 827 PENRODS, INC.
www.russellreid.com 400 15th Street, Atlantic City, NJ 08401
856 - 227 - 5293

Date: May 3, 2005

AGREEMENT FOR TEMPORARY RESTROOM SERVICES

Customer: Nikki Beach
Ordered by: Michael Register
Phone: 954-854-3308

Event: Nikki Beach Bar
Atlantic City Boardwalk
Atlantic City, NJ

Email: timh@nikkimarina.com
Email: mike@penrods.com

Equipment will be delivered/installed on: Wednesday May 11, 2005

Quantity	Description
4	City Main Temporary Restrooms

The equipment will be picked up on: Friday September 2, 2005

Rental Charges:

4 City Main Temporary Restrooms @ \$950.00 each for a 28 day rental

Total Rental Charges from May 11, 2005 through September 2, 2005

Total for 4 City Main Temporary Restrooms

Breakdown:

28 day cycle billing

April 29 through September 2

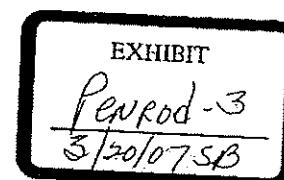
\$950.00 per unit x 4 units = \$3,800.00

\$3,800/28 days = \$135.71 per day for 4 units

\$135.71 per day x 115 days rental = \$15,607.14 from May 11, 2005 through September 2, 2005

Delivery and Installation Charges:

Delivery, Setup, and Pickup \$1,200.00 one time charge



Charges are as follows:

- \$5,000.00 Due by May 5, 2005
- 28 day billing cycle

Accepted:

By:

Lauren Gommel
Account Executive

Accepted:

By:

Michael Register
Nikki Beach



PLEASE MAIL PAYMENT TO:

Mr. John Inc.
PO Box 130
Keasbey, NJ 08832

REMITTANCE COPY-DETACH AND RETURN WITH PAYMENT

CUSTOMER CODE	INVOICE #	AMOUNT PAID
036599	0000312744	

CHARGE MY: Visa MasterCard AMEX Discover

Cardholder Name

Cardholder Address, City State & Zip Code

Card #

Amount Paid Exp. Date

Signature

Penrod Management Group, Inc.
1 Ocean Drive
Miami Beach, FL 33139

EXHIBIT

Penrod - 4
3/20/07 SB

\$25.00 Returned Check Fee | Terms: Net 10 Days | Make Checks Payable to Mr. John Inc.



Mr. John Inc.
PO Box 130
Keasbey, NJ 08832
Phone: (732) 225-2233
Fax: (732) 417-0367

Customer Number 036599
Invoice Date 5/27/2005
Invoice Number 0000312744
Page Page 1 of 1

Penrod Management Group, Inc.
1 Ocean Drive
Miami Beach, FL 33139

Date/Period	Qty	N/C Qty	Description	Rate	Amount
Site 036599-001 - Nikki Beach Bar - 1133 Boardwalk, Atlantic City, NJ					
Account Executive: Lauren Gommel					
5/3/2005			WO# 0000071937		
	1.00	0.00	Delivery Charge Restroom Trailers 7215GP, 7204GP	450.00000	450.00
5/3/2005			WO# 0000071939		
	2.00	0.00	Delivery Charge Units	1,000.00000	2,000.00
05/12/05 - 06/23/05	4.00	0.00	Standard Temporary Restroom w/City Main Connection	950.00000	5,835.71
5/12/2005			WO# 0000078539		
	1.00	0.00	Delivery Charge Units	1,200.00000	1,200.00
05/27/05 - 06/23/05	2.00	0.00	Ambassador 2 ADA	2,300.00000	4,600.00
05/27/05 - 06/23/05	2.00	0.00	Gold Plus Restroom Trailer 7215GP, 7204GP	6,000.00000	12,000.00
					Site Total 26,085.71
					Total Invoice Amount 26,085.71

The continuing escalation in diesel fuel prices requires that we immediately assess a 4.75% Fuel Surcharge for the rental and service of individual units. Thank you for your continued patronage.



PLEASE MAIL PAYMENT TO:

Mr. John Inc.
PO Box 130
Keasbey, NJ 08832

REMITTANCE COPY-DETACH AND RETURN WITH PAYMENT

CUSTOMER CODE	INVOICE #	AMOUNT PAID
036599	0000398618	

CHARGE MY:	<input type="checkbox"/> Visa	<input type="checkbox"/> MasterCard	<input type="checkbox"/> AMEX	<input type="checkbox"/> Discover
------------	-------------------------------	-------------------------------------	-------------------------------	-----------------------------------

Cardholder Name

Cardholder Address, City State & Zip Code

Card #

Amount Paid Exp. Date

Signature

Penrod Management Group, Inc.
1 Ocean Drive
Miami Beach, FL 33139

\$25.00 Returned Check Fee | Terms: Net 10 Days | Make Checks Payable to Mr. John Inc.



Mr. John Inc.
PO Box 130
Keasbey, NJ 08832
Phone: (732) 225-2233
Fax: (732) 417-0367

Customer Number 036599
Invoice Date 6/24/2005
Invoice Number 0000398618
Page Page 1 of 1

EXHIBIT

PENROD - 5
3/30/07 SB

Penrod Management Group, Inc.
1 Ocean Drive
Miami Beach, FL 33139

Date/Period	Qty	N/C Qty	Description	Rate	Amount
Site 036599-001 - Nikki Beach Bar - 1133 Boardwalk, Atlantic City, NJ					
Account Executive: Lauren Gommel					
6/2/2005			WO# 0000088843		
	1.00	0.00	Service Surcharge- Sunday/Double Time 7215GP, 7204GP	250.00000	250.00
6/15/2005			WO# 0000094817		
	4.00	0.00	Repair Charge 7215GP, 7204GP	28.00000	112.00
	1.00	0.00	Labor Charge - Regular 7215GP, 7204GP	400.00000	400.00
Note:					
06/24/05 - 07/21/05	2.00	0.00	Replacing 4 Peddals		
06/24/05 - 07/21/05	2.00	0.00	Ambassador 2 ADA	2,300.00000	4,600.00
06/24/05 - 07/21/05	2.00	0.00	Gold Plus Restroom Trailer	6,000.00000	12,000.00
06/24/05 - 07/21/05	4.00	0.00	7215GP, 7204GP		
			Standard Temporary Restroom w/City Main Connection	950.00000	3,800.00
			New Jersey Sales Tax		39.00
				Site Total	21,201.00
				Total Invoice Amount	21,201.00



PLEASE MAIL PAYMENT TO:

Mr. John Inc.
PO Box 130
Keasbey, NJ 08832

REMITTANCE COPY-DETACH AND RETURN WITH PAYMENT

CUSTOMER CODE	INVOICE #	AMOUNT PAID
036599	0000475833	

CHARGE MY: Visa MasterCard AMEX Discover

Cardholder Name

Cardholder Address, City State & Zip Code

Card #

Amount Paid Exp. Date

Signature

Pennrod Management Group, Inc
1 Ocean Drive
Miami Beach, FL 33139

\$25.00 Returned Check Fee | Terms: Net 10 Days | Make Checks Payable to Mr. John Inc.



Mr. John Inc.
PO Box 130
Keasbey, NJ 08832
Phone: (732) 225-2233
Fax: (732) 417-0387

Customer Number 036599
Invoice Date 7/22/2005
Invoice Number 0000475833
Page Page 1 of 1

Pennrod Management Group, Inc
1 Ocean Drive
Miami Beach, FL 33139

EXHIBIT

Pennrod - 6
3/20/07 SB

Date/Period	Qty	N/C Qty	Description	Rate	Amount
Site 036599-001 - Nikki Beach Bar - 1133 Boardwalk, Atlantic City, NJ					
Account Executive: Lauren Gommel					
7/3/2005			WO# 0000106067		
	1.00	0.00	Repair Charge 7215GP, 7204GP	400.00000	400.00
	1.00	0.00	Emergency Service Surcharge- Sunday/Double Time 7215GP, 7204GP	200.00000	200.00
07/22/05 - 08/18/05	2.00	0.00	Ambassador 2 ADA	2,300.00000	4,600.00
07/22/05 - 08/18/05	2.00	0.00	Gold Plus Restroom Trailer 7215GP, 7204GP	6,000.00000	12,000.00
07/22/05 - 08/18/05	4.00	0.00	Standard Temporary Restroom w/City Main Connection New Jersey Sales Tax	850.00000	3,400.00
				12.00	
				Site Total:	21,012.00
				Total Invoice Amount	21,012.00



PLEASE MAIL PAYMENT TO:

Mr. John Inc.
PO Box 130
Keasbey, NJ 08832

REMITTANCE COPY-DETACH AND RETURN WITH PAYMENT

CUSTOMER CODE	INVOICE #	AMOUNT PAID
036599	0000561886	

CHARGE MY: Visa MasterCard AMEX Discover

Cardholder Name

Cardholder Address, City State & Zip Code

Card #

Amount Paid Exp. Date

Signature

Penrod Management Group, Inc
1 Ocean Drive
Miami Beach, FL 33138

\$25.00 Returned Check Fee | Terms: Net 10 Days | Make Checks Payable to Mr. John Inc.



Mr. John Inc.
PO Box 130
Keasbey, NJ 08832
Phone: (732) 225-2233
Fax: (732) 417-0387

Customer Number 036599
Invoice Date 8/19/2005
Invoice Number 0000561886
Page Page 1 of 1

EXHIBIT

Penrod - J
3/20/05 ZSB

Date/Period	Qty	N/C Qty	Description	Rate	Amount
Site 036599-001 - Nikki Beach Bar - 1133 Boardwalk, Atlantic City, NJ					
Account Executive: Lauren Gommel					
7/21/2005			WO# 0000110638		
	1.00	0.00	Service Surcharge- Sunday/Double Time 7215GP, 7204GP	400.00000	400.00
7/26/2005			WO# 0000114336		
	1.00	0.00	Service Surcharge- Sunday/Double Time 7215GP, 7204GP	500.00000	500.00
7/29/2005			WO# 0000116999		
08/19/05 - 09/15/05	1.00	0.00	Repair Charge	400.00000	400.00
08/19/05 - 09/15/05	2.00	0.00	Ambassador 2 ADA	2,300.00000	4,600.00
08/19/05 - 09/15/05	2.00	0.00	Gold Plus Restroom Trailer 7215GP, 7204GP	6,000.00000	12,000.00
08/19/05 - 09/15/05	4.00	0.00	Standard Temporary Restroom w/City Main Connection New Jersey Sales Tax	950.00000	3,800.00
					54.00
				Site Total	21,754.00
				Total Invoice Amount	21,754.00



PLEASE MAIL PAYMENT TO:

Mr. John Inc.
PO Box 130
Keasbey, NJ 08832

REMITTANCE COPY-DETACH AND RETURN WITH PAYMENT

CUSTOMER CODE	INVOICE #	AMOUNT PAID
036599	0000631700	

CHARGE MY:	<input type="checkbox"/> Visa	<input type="checkbox"/> MasterCard	<input type="checkbox"/> AMEX	<input type="checkbox"/> Discover
Cardholder Name				
Cardholder Address, City State & Zip Code				
Card #				
Amount Paid	Exp. Date			
Signature				

Penrod Management Group, Inc
1 Ocean Drive
Miami Beach, FL 33139

\$25.00 Returned Check Fee | Terms: Net 10 Days | Make Checks Payable to Mr. John Inc.



Mr. John Inc.
PO Box 130
Keasbey, NJ 08832
Phone: (732) 225-2233
Fax (732) 417-0367

Customer Number 036599
Invoice Date 9/16/2005
Invoice Number 0000631700
Page 1 of 1

EXHIBIT

Penrod -8
3/20/07 SB

Penrod Management Group, Inc

1 Ocean Drive
Miami Beach, FL 33139

Date/Period	Qty	N/C Qty	Description	Rate	Amount
Site 036599-001 - Nikki Beach Bar - 1133 Boardwalk, Atlantic City, NJ					
Account Executive: Lauren Gommel					
09/16/05 - 10/13/05	2.00	0.00	Ambassador 2 ADA	2,300.00000	4,600.00
09/16/05 - 10/13/05	2.00	0.00	Gold Plus Restroom Trailer 721SGP, 7204GP	6,000.00000	12,000.00
09/16/05 - 10/13/05	4.00	0.00	Standard Temporary Restroom w/City Main Connection	950.00000	3,800.00
			Site Total		20,400.00
			Total Invoice Amount		20,400.00

The continuing escalation in diesel fuel prices requires that we immediately adjust our fuel surcharge to 6% for the rental and service of individual units. Thank you for your continued patronage.

DEPARTMENT OF TREASURY
Division of Revenue
Business Support Services, Commercial Recording
P.O. Box 308
Trenton, NJ 08646

07/20/2006

SHIP TO:

PENROD MANAGEMENT GROUP
 ONE OCEAN DRIVE
 4TH FLOOR
 MIAMI, FL 33139

EXHIBIT

Penrod-9A
3/20/07 SD

Thank you for your recent work request. The following information summarizes all work requests processed and the associated fees.

If your work was rejected, it is imperative that you include this form or a copy when resubmitting corrected documents or if you are requesting a refund. This will assist us in verifying payment and the original date the work request was submitted. Call us at (609) 292-9292 if you have any questions regarding this notice.

1. Customer Number: 427961
2. Account Number:
3. Session Number: 1707809
4. User ID: 8
5. Comments On Work Request:

6. Number of Rejected Jobs: 0

Method of Payment: Check
 Check No: 3458

Amount: \$100.00

Job Completion Status: C CLOSED (JOB OR SESSION)

Job 1 :

Session Number: 1707809

Work Description: FORMDT CERTIFICATION OF AMENDMENT AND FORMATION

Job Number: 3214019

Filing Number: 600229364

Received Date: 20-JUL-06

Entity Name: NIKKI BEACH ATLANTIC CITY, LLC

Comments On Job:

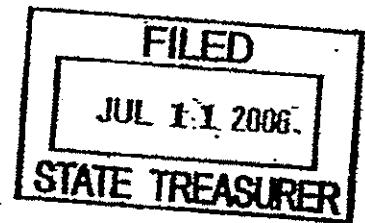
FEES CODE	FEES DESCRIPTION	FEES	QTY	TOTAL
AMENDB	AMENDMENT LLC AND T&P	100.00	1	\$100.00
JOB TOTAL:				\$100.00
COMPLETED JOB TOTAL:				\$100.00

OFFICIAL RECEIPT * THIS IS NOT A BILL*****

*Please retain a copy for your records to verify check and credit card billing.

L-109 (7/03)

New Jersey Division of Revenue
CERTIFICATE of CANCELLATION
Limited Liability Company
(Title NJSA 42)



This form may be used to cancel a Certificate of Formation of a Limited Liability Company on file with the Division of Revenue. Applicants must insure strict compliance with NJSA 42, the New Jersey Limited Liability Act, and insure that all applicable filing requirements are met.

1. Name of Limited Liability Company:

Nikki Beach Atlantic City LLC

2. Business Entity Number:

202-629-399/000

3. Date of formation:

March 23, 2005

4. State of Formation (foreign entities only)

5. Effective date of cancellation:

6. Reasons for canceling the LLC:

Closed for Business

EXHIBIT

Reverod - GB
3/20/07 SB

The undersigned represent(s) that this filing complies with State law as detailed in NJSA 42 and that they are authorized to sign this form on behalf of the Limited Liability Company.

Signature:

Date: 6/30/06

Name: John Michael Register

John Michael Register